Beatty Discusses C.P.R.'s Future—Exclusive Interview

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

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The Nation's Business

Public Shows It Wants Economy In Government

Lesson of Elections

Tariff Board Should Be Given Powers By Legislation

Business in Canada Needs It

Public Votes for Sounder Finance

CONFUSED as were the election issues in Ontario and Saskatchewan, one stood out clearly in both provinces. Followers of Mr. Hepburn and followers of Mr. Gardiner criticized rising taxes and mounting public debts under the régime of the Governments they were fighting. This was the outstanding issue both in the East and the West. And in Ontario and Saskatchewan the people rose against the excesses of Government and registered a striking and unequivocal demand for more reasonable expenditures, for the right to retain for themselves a larger proportion of their incomes, now so largely diverted to taxation, and for an end to the snowballing of public debt without regard for the future.

It has taken years to arouse the public to an appreciation of the manner in which their liberties were being cramped by excessive Government, and their incomes were being undermined by the costs of that Government. But now the public knows and it augurs ill for Governments that do not heed the lesson.

The significance of these elections cannot be entirely lost at Ottawa. For it is in the Dominion sphere that leadership in the matter of less aggressive governmental ambitions is most urgent.

This is not a partisan matter. It so happens that the two Governments elected this week were Liberal in complexion and ousted Conservative Governments. But in the present temper of public opinion, any Government would be defeated, because the public is tired of new taxes and new debts, and seeks a reversal of the whole recent trend of public finance.

Now, Mr. Hepburn and Mr. Gardiner must live up to their own pre-election promises to curtail expenditures or they too will have but short support from the people.

* * *

Tariff Board Is Necessary

THE decision of the Supreme Court that the Tariff Board is completely lacking in judicial powers will come as a surprise to business men both here and in the United Kingdom. The Supreme Court has declared, in considered judgment, that the board is merely, "a branch of the Department of National Revenue;" is completely under the control of the minister; lacks authority to question the legality of an order-in-council or ministerial order, or to deal with a point of law.

The Supreme Court, of course, was dealing with the board as an appeal body in disputes regarding matters of tariff enforcement, and not as an advisory body to the Government in matters of tariff changes.

* * *

WHEN the Tariff Board legislation was enacted in 1931 the general view was that the Government proposed to abolish the old Customs Board and to set up a truly independent tribunal to ensure just enforcement of tariff laws. The old Customs Board was an indefensible piece of departmental machinery. If anyone felt he had been illegally or unjustly treated by the National Revenue Department he could appeal to a board composed of the very officials who had approved the original ruling and, in the final analysis, a board functioning under a minister who, also, had approved the original ruling.

The Tariff Board was to be an independent judicial tribunal to guarantee fair play between the minister and the department on the one hand, and the public on the other. This was a reform long needed and the legislation, on this understanding, was approved very enthusiastically throughout the country.

* * *

THAT this was the Government's intention at the time is evident from the debates of 1931. Said Mr. Bennett:

"At the present time those who sit in judgment upon appeals to the Board of Customs are the very men who make the ruling."

He went on to point out that the right course to follow was to set up a tribunal which would be free "from any antecedent inclination in the matter."

He described the legislation as providing that the Tariff Board

(Continued on page 2, col. 4)

DOM. COAL PREFERRED CUMULATED

Rehabilitation Plan to be Presented Shortly by Company

70% IN ARREARS

Marked Strength in Earning Power Leads to Hope of a Resumption of Dividends

From Our Own Correspondent

MONTREAL.—Appreciation in the market value of Dominion Coal Co.'s preferred stock from a low of 10 to a current value of around 90 since the beginning of the year, is taken to forecast an early agreement between the holders and the company on a plan which will take care of the arrears and place the stock in a position to receive dividends just as soon as earnings warrant a renewal of payments.

It is understood that arrangements are well advanced for submission to the company of a plan whereby the present issue of $3,000,000 of 7 per cent cumulative preferred stock will be replaced by an issue of $6,000,000 of 6 per cent non-cumulative preferred stock.

$70 Arrears Per Share

The position of the preferred stock at present is: Up to February 1, 1924, regular dividends had been paid on the stock. Since then the arrears of dividends have cumulated and now amount to $70 a share. The preferred has preference as to assets up to $115 a share in the event of voluntary liquidation and is subject to call at the company's option at 125 and accrued dividends.

From 1927 to 1932 earnings of the company did not permit the payment of dividends. Last year income increased substantially and net profits available on the preferred stock amounted to $220,331, or sufficient to cover the $210,000 needed to pay the 7 per cent dividend. The tonnage of coal sold during the year was 2,955,410, as against 2,484,613 tons in 1932. This increase was attributed largely to subventions granted by the Dominion Government on freight rates into territory not otherwise economically accessible.

Further Gains in 1934

During the current year Dominion Coal's output has shown a further increase and expectations are that earnings in 1934 will show another increase. This will assure earning of the preferred dividend by a comfortable margin for the second year in succession.

The marked change in the earning power of the company has drawn attention to the preferred stock and the possibility of the company making arrangements for cleaning up the arrears or placing the stock in a position to share in the improvement.

Extent of Capitalization

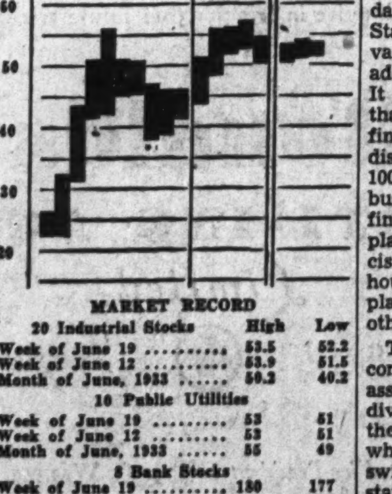
At present Dominion Coal has outstanding $2,793,500 of 5 per cent first mortgage bonds; $3,500,000 of 6 per cent income bonds; $3,000,000 of 7 cumulative preferred shares and $15,000,000 of common stock.

The first mortgage bonds and the preferred shares are outstanding in the hands of the public, while all of the income bonds and common shares are owned by Dominion Steel and Coal Corp.

Sir Newton Moore's remarks at the annual meeting are taken as indicating that the company is willing to make an arrangement with the preferred shareholders provided that the working capital is maintained. At the same time it is suggested that the income bonds be paid off.

It is understood that a plan under consideration calls for the elimination of the cumulative dividend feature and the exchange of $100 of 7 per cent stock for $200 of 6 per cent stock. This would mean, of course, increasing the outstanding amount from $3,000,000 to $6,000,000, while the dividend charges would advance from $210,000 to $360,000.

Stock Market



20 INDUSTRIAL STOCKS

MARKET RECORD

20 Industrial Stocks	High	Low
Week of June 19	53.5	52.2
Week of June 12	53.9	51.5
Month of June, 1933	50.2	40.2
10 Public Utilities		
Week of June 19	53	51
Week of June 12	53	51
Month of June, 1933	55	49
8 Bank Stocks		
Week of June 19	180	177
Week of June 12	182	178
Month of June, 1933	181	169

Streamlined Trains Will be Run by C.P.R. As Soon as Perfected

Railroads Plan Continuous Improvements to Maintain Natural Superiority to Competing Services For Great Bulk of Traffic, Says President

ADVOCATES REGULATION OF TRANSPORTATION

Canada's Foreign Trade Should be Aided by Lower Freight Rates — Unification of Transcontinentals Under C. P. R. Administration Would Make This Possible—Montebello Seigneury Club Enterprise is First Gun in Campaign For Permanent Tourist Traffic

Points Made by Mr. Beatty

1. Railroads have inherent advantages for 85 to 90 per cent of traffic that is carried in Canada.
2. Modern invention and progress have as free a way on railroad lines as on highways or in air.
3. Canadian Pacific Railway expects to have Diesel-engined, streamlined, articulated trains of most modern type.
4. Company plans campaign to attract permanent tourist traffic of desirable character to Canada.
5. More recreation clubs will arise when great Montebello Seigneury experiment reaches paying basis.
6. Freight rate reductions are possible if Government agrees to unification under tried C. P. R. administration.
7. Bus and truck lines have now same bad practices that brought about Government regulation of railways.
8. All transportation services should be complementary instead of wastefully competitive.
9. Imperial trend to Canadian trade is distinctly favorable to the world-wide interests of the C. P. R.
10. The private automobile is uncontrollable.
11. C. P. R. hotel system hereafter will be expected to stand on its own feet.
12. Use of airplane in Canada to supply transportation where other services stop is highly constructive.
13. During the depression the Canadian Pacific developed the largest ocean cruise organization in the world.

By WELLINGTON JEFFERS

Edward W. Beatty, K.C., chairman and president of the Canadian Pacific Railway Company, told a representative of The Financial Post that the intrinsic, long-term advantage rests with the railroad companies in carrying most of Canada's freight and passengers. The quick strides in automotive invention blind many people to the fact that engineering progress of this kind can be applied as much to travel by railroads as by highways and to even greater advantage.

"The Canadian Pacific Railway," he said, "will in reasonable probability have Diesel engined, streamlined, articulated, air-conditioned trains in those parts of Canada suitable for their operation as soon as the experimental period is over. The latest trains of this character are far superior to those first placed in operation. But there are still further improvements we would like to see in air-conditioning and other features. By delaying purchase to this time the railroad has avoided the need to write down the value of the trains for rapid obsolescence.

"We will see that the types chosen are suitable to Canadian conditions. We are already convinced that in certain parts of Canada

(Continued on page 4)

WALKERS PAYS FOR DISTILLERY IN FIRST YEAR

Peoria Plant Starts With Investment of $5,000,000

Hiram Walker-Gooderham & Worts, United States subsidiary, Hiram Walker & Sons, has started operations in the world's largest and most modern distillery at Peoria, Ill., with the five million dollars spent in its erection already returned to the parent company, it is estimated.

Those who estimate in this way point out that 1,000,000 gallons of fully matured spirits have been shipped by the company to the United States from its own Canadian warehouses since its fiscal year began on September 1, 1933. One man close to the company thinks that $5 a gallon net to the company was obtained for this liquor, and it is believed that the whole amount will have gone into consumption on August 31, 1934, because the company has followed the policy of shipping only for immediate requirements.

Financing Liquor Credits

The company has apparently been carefulness itself to date in managing its funds, has passed one dividend date without doing anything for the common shareholders and will decide early in September what action will be taken then. The reason for this carefulness is that the company has a decided advantage over many competitors so long as it is able to finance on 60 or 90 days credit the credit purchases of State liquor commissions and of private buyers in states which have adopted other methods of selling. It also needs larger working capital than formerly now that it has to finance operations of the Peoria distillery with its daily capacity of 100,000 gallons of spirits from 20,000 bushels of grain. It has also to finance operations of rectifying plants at Jersey City, San Francisco and Detroit and sales warehouses in 14 cities. This Detroit plant is operating full time and the other two plants will start soon.

The directors wish to await final completion of expansion of capital assets in the United States and their dividend action will reflect what they think of the whole picture when everything is going full swing. W. J. Hume, president, states sales of Canada Club whisky are steadily increasing.

SEPARATE BILL FOR LIFE CO'S IS UNLIKELY

But Government Will Not Support Lloyds License in Commons

From Our Own Correspondent

OTTAWA.—Rumors to the effect that the Government might subdivide, further, the Federal legislation on insurance by splitting the revised British and Canadian insurance act, now on the Commons' order paper, into two bills—one covering life and the other ordinary insurance—were denied at Ottawa this week.

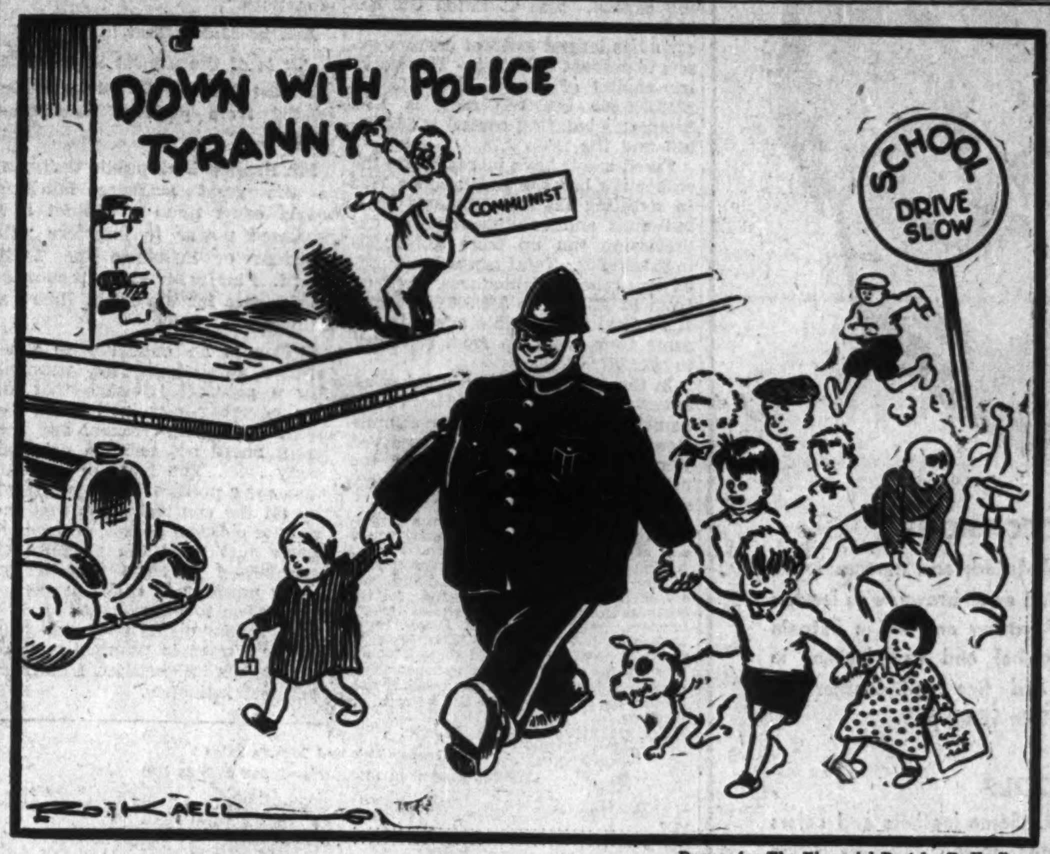
It now is regarded as probable that the revised legislation will be proceeded with. Instead of regarding it as a government measure, the cabinet is likely to support all of the sections save the one which authorizes the licensing, by the Dominion, of Lloyds, of London. This section, it is believed, will be allowed to take its chances, with party whips called off.

The antagonism among fire insurance companies of Canada to the section dealing with Lloyds has become so pronounced that the bill has been held up while the government reconsidered the position. It is learned that the government will not force this section through, but will allow the Commons to deal with it on an unpartizan basis. This, naturally, will greatly diminish the chances of the section being approved.

Foreign Trade Sharply Higher, Permits Advance

May was a busy month in foreign trade, according to statistics released during the past week. These statistics show not only large seasonal increases over April but considerable advances from May a year ago. The advance in imports over 1933 of over 60 per cent is remarkable.

			Change	
			From Prev. Period	From Prev. Year
Monthly		May '34	%	%
Exports	$	57,899,511	+83.2	+27.0
Imports	$	52,886,861	+52.0	+60.6
Bldg. permits	$	2,942,096	+31.0	+42.4
Failures	No.	141	+ 0.6	—23.4
Liabilities	$	2,009,381	+ 2.4	—33.8
Con. milk prod.	lbs.	19,270,846	+36.5	+ 3.7
Butter prod.,	lbs.	24,372,291	+76.5	+ 5.3
Weekly				
W'sale prices	No.	71.9	+ 0.3	..
Car loadings.	No.	42,933	— 3.8	+ 5.1



—Drawn for The Financial Post by R. Kaell.

SCENE: ANYWHERE IN CANADA

EATON-SIMPSON SALES RECORDS REFLECT SLUMP

Business Men Everywhere Study Record of Declines Since 1929

Revelations at the Stevens price-spread committee at Ottawa as to turnover, profit or loss, spread between cost of goods and selling price and experience during the years of depression of The T. Eaton Co., Ltd., Canada's largest departmental store, and Simpson's, Ltd., the second largest are proving of intense interest to business men all over Canada. They are comparing the data with their own costs and the allocation of the consumer's dollar to cost of goods, wages, salaries, advertising, overhead is drawing interested attention. Tables given concentrate this information in readily understandable form.

Sales of The T. Eaton Co., as shown by these comparative tables dropped from the peak of $225,053,000 in 1929 to $132,500,000 in 1933, a dollar total almost level with the company's total business in 1923 before it embarked on the great expansion programmes of the last decade. This was a decline of 41.1 per cent from 1929. Simpson's, Ltd., total sales reached their peak at $48,196,000 in 1929 and fell to $37,526,000 in 1933, a decline of 22.1 per cent. Part of the decline is attributable to the lower prices at which goods were progressively sold during the years of lower business activity, and the greater decline of Eaton's is partly a result of the fact that it is a Dominion-wide organization with large stores in Western Canada where the depression has been very severe and that its chain stores and other merchandising activities have under the circumstances not proved profitable in these years.

Simpson's Sales Concentrated

Simpson's, Ltd., on the other hand has had a much larger proportion of its total sales concentrated in Toronto and the district it serves. It expanded as well but it was by an extension of its main store and the building of a greater store where the Montreal business had already been so that it was not pioneering to nearly as great an extent as The T. Eaton Co. This probably accounts in some measure for the fact that the number of transactions of The T. Eaton Co. fell 13 per cent from 43,800,000 in 1929 of an average value of $1.35 a transaction to 38,100,000 transactions in 1933 with an average value of 91 cents whereas Simpson's 16,433,000 transactions in 1929 of an average value of $2.18 each actually increased 3.9 per cent to 17,077,000 with an average value of $1.55. In both cases it is understood that in 1934 the average value of a transaction has risen.

The T. Eaton Co. Toronto stores' sales of $34,713,000 represented only

(Continued on page 2, col. 3)

'SCOTIA POWER CONSOLIDATES ITS ACTIVITIES

Eastern Utility Seeks Approval on Acquisitions

From Our Own Correspondent

MONTREAL.—Absorption of the Dartmouth Gas, Electric Light, Heating and Power Co., the Sackville River Co., and further financing on a relatively small scale by Nova Scotia Light and Power Co., await approval of the Nova Scotia Public Utility Board.

Both utility companies have been carried as subsidiaries by Nova Scotia Power for some time, being entirely owned and controlled. The property and assets of these companies have not been shown in the balance sheet, however, being designated as "investment in subsidiaries."

Company Presents Plans

In the application presented to the Utility Board, the company seeks approval to absorb the two companies as well as approval for the issue of first mortgage bonds and cumulative preference shares at a price to net the company at least $643,027.

The purposes for which the returns from the sale of the bonds and preference stock would be directed are as follows:

Cost of construction since September 9, 1930, unfunded, $272,150;

To acquire property, assets and undertaking of Dartmouth Gas, Electric Light, Heating and Power Co., $262,042;

To acquire property assets and undertaking of Sackville River Co., $86,344;

Proposed capital expenditure during 1934, $22,500.

Bonds and Stocks

It is proposed to issue first mortgage bonds to an amount sufficient to fund 75 per cent of the expenditure and 6 per cent cumulative preference shares for the balance.

At the end of last year Nova Scotia Power had outstanding $4,225,000 of 5 per cent first mortgage bonds and $1,250,000 of 6 per cent cumulative preference shares. The last time the first mortgage bonds were issued was in October, 1930, while at the same time a block of $500,000 of preference shares were sold.

Strengthen Working Capital

With the approval of the proposed financing by the Utility Board, the financial position of Nova Scotia Power would be strengthened. At the end of last year current liabilities exceeded current assets by $109,678, the former amounting to $415,066 and the latter to $305,388. Among the liabilities at the end of last year was a bank loan totalling $75,000. This had amounted to $200,000 in

(Continued on page 2, col. 2)

Post's New Type Face Much Easier to Read

This issue of The Financial Post appears entirely in a new type face which we trust our readers will find more readable than that formerly used.

Except for statistical tables, The Post has entirely banned the smaller sizes of type from its columns.

The new face is called Excelsior No. 1. For those who are technically minded it may be said that the size is 7 pt. set on 8 pt. slug.

Its peculiar merit is that the body of each letter is larger than on ordinary type. The strokes of such letters as "t" or "y" do not rise as high above the line or descend as far below but the extra space is used to make letters like "c" and "e" fatter and more open. The net effect is to relieve eyestrain.

We hope you will now find The Financial Post one of the most readable papers in the country.

Highlights of the week

Maritimes Recovery

Canada's three maritime provinces have recovered from depression farther and faster than most other areas. In 11 feature pages, The Post tells the story of recovery of mine, sea, farm, factory and forest industries in the eastern provinces. Pages 15 to 25

Main St., Canada

Another analysis of what chain and departmental store expansion, movies, cars, and big business have done to alter Main Street, Canada. How Peterborough has changed, and what its citizens think of it all. Page 11

Tairff Hubbub

Ruling by the Supreme Court that the Ottawa tariff board has no judicial powers may mean important changes in personnel. Why chairman Justice Sedgewick may resign. Page 3

May Business

Chart of 1934 business activity shows we are getting close to the 1931 level. Sydney B. Smith tells why May business appears to have been the best in three years. Page 7

False Economy

How municipalities have been trying to save money on insurance. Three ways of saving have been tried, but there are grave dangers in at least one of them. Page 12

Simpson's-Eaton's

How Canada's two greatest retail merchandising firms compare in sales, customers, finances. Page 1. Simpson's financing is a tale of three companies. Page 8

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SPECIAL SECTION

Featuring the Maritimes 15-25

SEE NO HARM IN MILD DOSE OF INFLATION

New Act May Add $52,000,000 to Note Issues

BUDGET BALANCED

Currency Measures Designed to Take Care of Period Before Bank of Canada in Operation

From Our Own Correspondent

OTTAWA.—In amendments to the Dominion Notes and the Finance acts moved by Premier R. B. Bennett in the House of Commons on Tuesday, the Dominion government has announced the first definite inflationary step, in the sense of increasing the currency in circulation since the onset of the depression in 1930. But as long as the budget is kept balanced, as it was in the first two months of the fiscal year, the change is not considered dangerous.

There was, of course, the $35,000,000 treasury bill transaction between Ottawa and the chartered banks in the fall of 1932. Conceived as an inflationary move, the treasury bill venture is believed in some quarters to have increased total bank credit. But it has not been "inflationary" in the radical sense.

Mr. Bennett announced a reduction in the gold support of the dollar which will net the government, if it cares to take advantage of the new legislation, some $52,000,000 in the next few months—more than sufficient to pay for the $40,000,000 public works programme announced Tuesday night.

Interim Policy

The currency measures are of importance chiefly because they involve a policy of moderate inflation and will govern the monetary policy of Canada during the transitional period between the closing of Parliament (probably on June 30) and the organization of the Bank of Canada this autumn. The provisions of the Bank of Canada act with respect to monetary policy, coupled with the fact that the Dominion Parliament will still exert a powerful control under the Currency act, are so vague as to make impracticable any forecast of what may happen when the new institution is functioning. But Mr. Bennett's speech clearly implied that the policy he announced would be, in effect, a means by which the transition from the present gold position to the one which will obtain under the central bank can be made gradually. He inferred that the central bank will be more radical than will the government under the new legislation.

The Bennett legislation tends toward inflation by providing for a substantial increase in the amount of currency which may be placed in circulation by the government on a 25 per cent gold coverage. The government takes power to make the following changes:

Present Position

Present gold position: The treasury can issue $50,000,000 on a 25 per cent gold coverage. An additional $26,000,000 is issued under special legislation passed in 1915, without any gold support. Currency can be issued under the Finance act by way of loans to the chartered banks secured upon gilt edge paper pledged by the borrowers. No gold is required to support this currency. Above these amounts, the government must hold dollar for dollar of gold for currency issued.

The actual position on May 31 last, was:

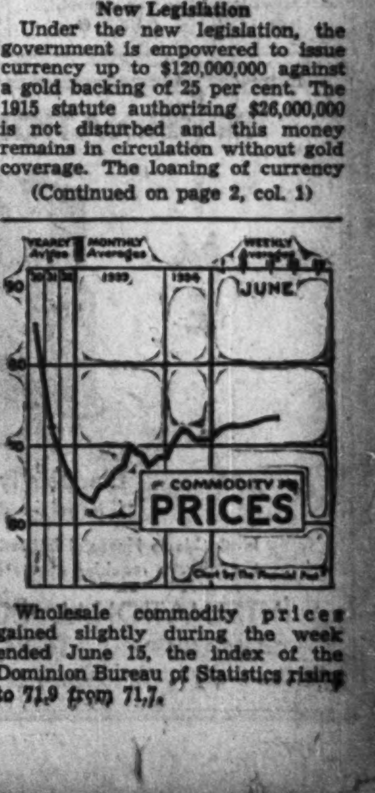
Currency issued $	Security for issues $
26,000,000	negoc. securities
38,444,000	negoc. securities
50,000,000	12,500,000 gold
56,666,949	56,666,949 gold
171,110,949	69,166,949 gold

The $26,000,000 was in circulation under the authority of the 1915 enactment and secured by railway securities. The $38,444,000 was currency lent to banks on negotiable securities. In addition to the gold held against the note issue, the government had an excess of $371,002 in bullion.

New Legislation

Under the new legislation, the government is empowered to issue currency up to $120,000,000 against a gold backing of 25 per cent. The 1915 statute authorizing $26,000,000 is not disturbed and this money remains in circulation without gold coverage. The loaning of currency

(Continued on page 2, col. 1)



Wholesale commodity prices gained slightly during the week ended June 15, the index of the Dominion Bureau of Statistics rising to 71.9 from 71.7.

MEN'S SPORTS SHOES

GOLF « BOWLING « SPECTATOR SPORTS

FOR DRESS OCCASIONS

Swagger styles in wing tip (sketched) and moccasin cut. Black and white, two-tone brown or all brown, with leather soles.—Materials include calf leather and elk in Eatonia models; "Nu-Buck" (trade name) and calf leather in Birkdale; genuine buckskin and fine calf leathers in Canterbury. Price range $4.50 to $8.00 pair.

FOR GOLF

Moccasin and plain toe styles. Same leathers and colors as above. Rubber sole or leather soles with spikes. Price range $4.50 to $10.50.

FOR BOWLING

Four styles in finely designed shoes, all with crepe rubber soles and all one price. Choice of:—

White "Elk" (trade name). Goodyear welt.
Brown calf, plain toe. Goodyear welt.
Fine black calf, unlined. Cool and flexible.
Fine brown calf, light weight, unlined. Cool and flexible.
Price $4.50 pair.

MEN'S SHOES, SECOND FLOOR, QUEEN AND JAMES STREETS

THE T. EATON CO LIMITED

SEE NO HARM IN MILD DOSE OF INFLATION

to the chartered banks under the Finance Act also continues without any gold support being needed. But all currency issued in addition to this must be supported dollar for dollar with gold.

Immediately following the enactment of the present bills, the government will be able to enlarge the currency in circulation as follows:

Total gold held in treasury as security for notes, $69,537,951. The government can issue $12,000,000 of currency against $30,000,000 of gold. This leaves $39,537,951 of gold against which currency can be issued dollar for dollar. In addition, the $26,000,000 of currency remains outstanding and the usual currency loans to the banks continue.

The set up, on the basis of the May 31 figures, now becomes:—

Currency $	Security required $
26,000,000	negoc. securities
38,444,000	negoc. securities
120,000,000	30,000,000 gold
39,537,951	39,537,951 gold
223,981,951	69,537,951

The increase as between the actual position on May 31 and the position that would have existed had the new legislation been applied is $52,871,001 which is the amount by which Mr. Bennett is taking power to inflate the currency of the country. In the opinion of economists, however, there may be some difficulty in actually placing additional currency in circulation and keeping it there. And as long as the budget is in balance, as at present, there is deemed to be no inflation.

'SCOTIA POWER CONSOLIDATES ITS ACTIVITIES

(Continued from page 1)

1931, but was reduced by $50,000 in 1932 and by $75,000 in 1933.

Operations of Nova Scotia Power during the current year have been on a satisfactory basis, with the total volume of business showing an improvement over the corresponding half of 1933.

The electric light department has experienced an improvement, sales of electric energy as measured in kilowatt hours being on the increase. At the end of 1933 the company had 12,561 light and power customers, an increase of 120 over the previous year. The amount of electricity generated and purchased last year was 36,751,924 kw.h., or about the same as in 1931 and 1932.

The tramway division this year shows an increase of from 10 to 11 per cent in the volume of traffic handled. Last year this department reported 1,900,380 car miles operated and the number of passengers carried at 9,100,077. The passenger traffic was about 10 per cent, less than in the previous year, so that if the current rate of increase is maintained traffic will be back to the level of 1932.

The gas division—one of the three major departments—has not made much headway to date. This is partly due to the increase in competition from crude oil distributors in the heating field.

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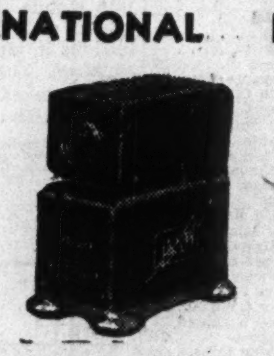

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EATON-SIMPSON SALES RECORDS REFLECT SLUMP

(Continued from page 1)

26.2 per cent of its business, the mail order transactions accounted for 26.8 per cent, the chain stores for 10.4 per cent and other stores and services for the remainder. Simpson's Toronto sales of $23,676,000 represented 63.1 per cent of its total sales while the Montreal store sold 13.1 per cent.

Consolidated balance sheets of both companies show strong working capital. The T. Eaton Co. has highest net current assets but Simpson's has largest ratio of current assets to current liabilities. The working capital of The T. Eaton Co. is *$16,606,000 but the ratio is 1.94. Simpson's working capital is $8,578,000 and the ratio 3.78.

Fixed assets have increased on the respective balance sheets since 1925 in amazing fashion. Eaton's land, buildings and equipment, after depreciation ran up from $12,498,000 to $63,331,000. Total assets, less funded and other indebtedness, went up from $21,233,000 to $55,508,000. Simpson's total net tangible assets in the same time went up from $8,722,000 to $20,387,000.

In the greater anxiety to get sales, advertising expenditure of both companies increased during the depression especially in Toronto. In seven years the two companies paid ten million dollars to the four Toronto daily newspapers.

* T. Eaton Co. has to build up a reserve of $8,000,000 because of provisions in the will of the late Sir John Eaton. It calls for legacies of $2,000,000 each for four of his five children in the event that any other one of the five shows an aptitude for the business in the opinion of the estate's five trustees, Lady Eaton, R. Y. Eaton, Harry McGee, J. J. Vaughan and C. N. Mills. Of the total of 10,000 shares of stock 8,890 are held by Sir John's estate, and are to be registered in the name of the child, if any, chosen by trustees to be the heir to the business.

Comparative figures follow:

Total Simpson's and Eaton's Sales
(Figures quoted in thousands—Index 1929 as 100)

	Eaton's Sales	Eaton's Index	Simpson's Sales	Simpson's Index
1907	$ 22,428	10.0		
1908	25,494	11.3		
1909	32,790	14.6		
1910	39,692	17.6		
1911	45,613	20.3		
1912	52,756	23.4		
1913	56,086	24.9		
1914	53,367	23.7	$ 14,081	29.2
1915	59,181	26.3	16,365	34.0
1916	76,736	34.1	20,978	43.5
1917	92,480	41.1	25,578	53.1
1918	101,175	45.0	27,983	58.1
1919	123,590	54.9	33,444	69.4
1920	141,320	62.8	37,910	78.7
1921	125,058	55.6	33,781	70.1
1922	124,952	55.5	33,572	69.7
1923	132,707	59.0	35,140	72.9
1924	138,694	61.6	37,378	77.6
1925	160,298	71.2	39,167	81.3
1926	168,960	75.1	41,316	85.7
1927	180,030	80.0	42,529	88.2
1928	211,475	94.0	44,806	93.0
1929	225,053	100.0	48,196	100.0
1930	205,149	91.2	46,912	97.3
1931*	171,984	76.4	44,956	93.3
1932†	142,415	63.3	34,728	72.1
1933	132,500	58.9	37,526	77.9

* 50 weeks in case of Eaton's and 53 weeks Simpson's.
† 48 weeks year for Simpson's.

Toronto Stores Transactions
(Index 1929 as 100)

	Number Transactions	Index No.	Number Transactions	Index No.
1929	43,800,000	100.	16,433,000	100.
1930	44,000,000	100.5	15,433,000	93.9
1931*	43,200,000	98.2	16,146,000	98.3
1932†	41,400,000	94.6	14,769,000	89.9
1933	38,100,000	87.0	17,077,000	103.9

1 50 weeks Eaton's and 53 weeks Simpson's.
† 48 weeks Simpson's.

Average Transaction Value in Toronto Stores

		Index No.		Index No.
1929	$1.35	100.	$2.18	100.
1930	1.25	92.6	2.30	105.5
1931	1.11	82.2	2.10	96.3
1932	.94	69.6	1.73	79.3
1933	.91	67.4	1.55	71.1

Comparison of Sales by Sections: Retail Stores, 1933

	Eaton's		Simpson's	
Toronto Store*	$34,713,000	26.2	$23,676,899	63.1%
Montreal Store	14,802,000	11.2	4,909,422	13.1
Regina	1,375,000	1.0	979,477	2.6
Halifax	1,419,000	1.1	864,771	2.3
	$52,309,000	39.5	$30,430,569	81.1%
Winnipeg	$18,341,000			
Hamilton	3,323,000			
Saskatoon	1,558,000			
Calgary	2,662,000			
Edmonton	2,647,000			
Moose Jaw	673,000			
Moncton	1,669,000			
Total others	$30,873,000	23.3	....	...
Total Retail	$83,182,000	62.8	$30,430,569	81.1%
* Including drugs and house furnishings.				
Mail Order*:				
Toronto	$11,422,000	8.6	$ 2,810,571	7.5%
Western	17,896,000	13.5	3,200,376	8.5
Maritimes	6,197,000	4.7	1,084,902	2.9
Total Mail Order	$35,515,000	26.8	$ 7,095,849	18.9%
* Simpson's mail order business specializes on things to wear for farmer and family and total slumped in depression as agricultural buying power down.				
Chain Stores:				
Groceterias	$4,170,000			
Teco Stores	2,491,000			
Canadian Dept. Stores	6,110,000			
Canadian Stores	1,032,000			
Total chain	$13,803,000	10.4	....	.....
	$132,500,000		$37,526,418	

Consolidated Balance Sheet
(Figures in Thousands of Dollars)

	Eaton's 1925	Eaton's 1934	Simpson's 1925	Simpson's 1934
Current Assets:				
Merchandise Inventories	9,385	15,817	7,532	6,415
Accounts Receivable	1,160	3,363	1,416	4,754
Cash on hand	683	866	134	127
Investments	16,619	14,213	166	373
Total Current Assets	27,847	34,259	9,248	11,669
ess:				
urrent Liabilities:				
Bank Loans and O./D.	523	1,667	427	....
Accounts Payable—Trade	3,814	7,217	1,609	2,239
Accounts Payable—D. A.	2,979	4,408	....	391
Accounts Payable—Employees	9,121	4,199	....	....
Reserve for Taxes, etc.	820	162	893	461
Total Current Liabilities	17,257	17,653	2,929	3,091
Net Current Assets	10,590	16,606	6,319	8,578
Ratio	1.61	1.94	3.16	3.78
Feferred Charges	354	875	673	825
Employees' Stock Purchase Plan	....	....	....	299
Investments in Subsidiaries	....	1,570	....	....
Lands, Buildings and Equipment (Less Depr'n)	12,498	63,331	9,880	22,342
Total Assets	23,442	82,382	16,872	32,044
Deduct:				
Funded Indebtedness:				
Mortgages	....	4,713	418	....
Bonds and Debentures	900	18,911	7,732	11,657
Employees' Retirement	1,309	3,250	....	....
	2,209	26,874	8,150	11,657
Net Tangible Assets	21,233	55,508	8,722	20,387

How Net Tangibles Represented

	Eaton's 1925	Eaton's 1934	Simpson's 1925	Simpson's 1934
Shares—Eaton Realty	....	12,000	....	....
Common Shares	1,002	1,006	5,372	5,061
Preferred Shares—R. S. Co.	....	....	3,350	3,350
Preferred Shares—Simpson's, Ltd.	....	....	....	11,250
Reserves	18,244	35,394	....	....
Surplus	1,987	7,108	....	726
	21,233	55,508	8,722	20,387

Net Worth as Reported

	Eaton's 1925	Eaton's 1934	Simpson's 1925	Simpson's 1934
Capital:				
Common Shares	1,002	1,006	5,372	5,061
Preferred Shares, R. S. Co.	....	....	3,350	3,350
Preferred Shares, Simpsons	....	....	....	11,250
Reserves:				
Disclosed	18,244	35,394	....	....
Undisclosed	17,186	4,558	....	....
Surplus	1,987	7,108	....	....
Total Reported	38,419	48,066	8,722	20,387
Add:				
Shares Eaton Realty Co.	....	12,000	....	....
Total Net Worth	38,419	60,066	8,722	20,387

Analysis of Sales Dollar (1933)

	Eaton's Toronto Store	Eaton's Montreal Store	Eaton's Toronto M.O.	Simpson's Toronto Store	Simpson's Montreal Store	Simpson's Toronto M.O.
Cost of Goods	67.5	68.5	69.5	66.6	68.5	68.
Workroom Wages	2.4	1.5	.1	1.5	..	..
Wages	9.6	7.8	3.6	7.5	7.1	3.4
Advertising	3.8	4.7	6.2	4.0	7.0	12.5
Delivery	2.8	1.4	5.6	2.5	1.9	6.2
General	9.4	7.9	9.1	7.8	7.4	11.8
Interest on Stock	.7	.7	.4	1.2	1.4	1.1
Furniture and Fixtures Write-off	.5	.5		1.2	1.9	.2
Rent	4.6	6.1	.1	7.6	8.9	2.8
Profit or Loss	1.3	.9	4.5	.1	4.1	6.
Total	100.	100.0	100.0	100.	100.	100.0

The Nation's Business

(Continued from page 1)

would "act as a court of appeal from the decisions of the customs authorities." As to these judicial functions Mr. Bennett, in 1931, had no doubts:

> "We have created a court under the provisions of the law which confer on the Federal Parliament the right to create a Federal court. We have given that court judicial functions."

And he said further in 1931:

> "It is of the utmost importance that the tribunal should be dissociated from political considerations."

Mr. Bennett bore public testimony to the great pressure ministers would exert upon a cabinet if it possessed power to interfere with decisions or influence the Tariff Board. Finally Mr. Bennett summed up the case for the Tariff Board as follows:

> "This is an endeavor to substitute an independent tribunal for a political tribunal—that is, the governor-in-council being always a political tribunal and the tariff board not being a political body . . . You have in the one instance a political body, governed by all the considerations that influence political bodies; and we all know just what the pressure of contending interests may be to get a minister to make a recommendation to council. As against that, we have this body which is not interested in political matters and makes its decisions free from political influence."

UNQUESTIONABLY the general public and Justice Sedgewick, the chairman of the board, believed that the legislation of 1931 made the board an independent judicial tribunal in so far as enforcement of tariff is concerned. His conduct since assuming direction of the board's activities, his various judgments, all testify to the fact that he proceeded on the assumption that the board was a tariff appeal court, equally above politicians and officialdom. That such a tribunal was warmly welcomed is evident from the number and character of the appeals lodged with the board. That it was needed has been made all too evident in the past year in the tinplate case where the Tariff Board uncovered a sorry record of political tariff manipulation, carried through in open defiance of the law.

The Supreme Court now discloses an unbridgable chasm between the sort of Tariff Board Mr. Bennett talked about in 1931 and which it was generally believed we possessed, and the Tariff Board which actually exists. Instead of an independent judicial tribunal, we have a "branch of the National Revenue body:" a board wholly incompetent (legally) to decide a point of law; a board which cannot function except over the signature of the Minister of National Revenue. The minister, naturally, is a politician and, on the principle of joint cabinet responsibility, he does not act in major matters without the express approval of his colleagues.

Tariff enforcement, therefore, is just as much under the domination of politicians as ever it was. Unless cabinet ministers say so, Justice Sedgewick cannot deal with the most trivial of cases. And on matters of law, he turns out to be debarred from expressing any opinion at all.

* * *

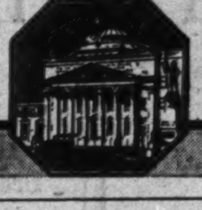
IT is regrettable that Mr. Bennett announced that the Government has no intention of amending the act in such a way as to carry out the original intention. It should be plain to Ottawa that the board as outlined by Mr. Bennett is required. The business community received a tariff appeal court with approval and began, promptly, to make good use of it. Under the impression, untrue as the event proves, that it had judicial powers, the Tariff Board proceeded to bring order out of departmental red tape and confusion: it nipped political interference in the bud: and it gained the respect and confidence of the business community.

The Tariff Board, as it stands in the light of the Supreme Court judgment, can perform only limited services for Canadian business. The Government, if not prepared to amend the law and give it the authority of a court, should repeal Part II of the Tariff Board Act and proclaim, in all honesty, that tariff enforcement is to revert to a purely political basis.

Dairy Corp. Settles With Bank of Toronto

It is understood on good authority that the way has been cleared for a clear majority agreement in favor of a reorganization plan to be submitted at the second meeting of Dairy Corp. shareholders on June 22. This is the result of agreement with the Bank of Toronto concerning its holdings of preferred stock of Dairy Corp. This holding was sufficient to prevent the reorganization plan passed at the last meeting being implemented when late proxies were ruled out by the courts.

John Russell, who has been asking for proxies, will probably take account of the new situation before the meeting occurs.



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Expect Resignation Tariff Board Head Over Court Ruling

Sedgewick Thought That Board Held Judicial Powers

COURT SAYS NO

Tariff Board Called Merely Branch of Department of National Revenue — No Power to Rule

(From Our Own Correspondent)

OTTAWA.—In view of the Supreme Court's decision that the Tariff Board has no judicial powers, that its decisions must be signed by the Minister of National Revenue and that it functions merely as a sort of super-appraiser, the resignation of Justice Sedgewick is considered extremely probable.

Justice Sedgewick's conduct as chairman and his rulings from time to time clearly prove that he sincerely believed that the board possessed judicial powers and was not a mere branch of the department. His attitude to his job since taking office in February, 1933, is now revealed to have been based upon a false impression of the law.

Government Request

Judgment given last Friday by the Supreme Court of Canada that the Tariff Board holds the statutory status of "a branch of the Department of Natonal Revenue," was on the reference made to it in March by the Bennett Government.

Three questions were asked by the government and all three answers are unfavorable to the powers with which everyone believed the Tariff Board had been clothed, and which the Board, under Chairman George H. Sedgewick has freely exercised since the body began to function. Apart from these answers, the "reasons for judgment" written by Mr. Justice Rinfret and unanimously concurred in by the court, make it abundantly clear that the Board is completely naked of power to overrule or interfere with orders-in-council or ministerial decisions: is, in fact, a relatively unimportant adjunct to the department and in no sense whatsoever an independent tribunal to ensure fair administration of the tariff.

Facts Emerge

Outstanding facts which emerge from the judgment are:

1. That the Board decisions are without any force or effect unless signed by the Minister of National Revenue.
2. That the Board cannot call into question any point of law; nor challenge any order-in-council or ministerial order.
3. That it functions merely as a sort of super-appraiser; a cog in the administrative machinery of the department.

It follows, automatically, that the Tariff Board exceeded its jurisdiction in challenging the cabinet policy on the tinplate dump duty last autumn and also, that it was quite outside its proper sphere, in presuming to question the legality of the arbitrary valuations imposed upon British goods.

Ottawa Stunned

The judgment has fallen like a bombshell on Parliament Hill. Immediately following its publication Mr. Bennett was asked if he proposed to amend the Tariff Board Act to clothe the Board with the judicial powers which everyone supposed, incorrectly, it possessed. Mr. Bennett answered in the negative: the Tariff Board Act will stand as it is.

Several factors must be borne in mind if these developments are to be viewed in true perspective. The Tariff Board Act was enacted in 1931. The statute is divided into two parts. Part 1 charged the Board with the duty of investigating applications for tariff changes (upwards or downwards) and reporting, as to the facts, to the Minister of Finance. Later on the Board was selected as the body to carry out Canada's chief concession to the United Kingdom under the Anglo-Canadian trade agreement. This concession consisted of an undertaking to revise the Preferential tariff so that the duties against British goods would equate the difference in production costs in the two countries. The Board delivered judgment recently in the first of the British applications under the treaty (the Woollens case).

Purely Advisory

Last week's developments had nothing whatever to do with the activities of the Board under Part 1 of the Tariff Board Act. In this respect the Board never claimed, nor was it ever believed, to possess judicial powers. It was purely an advisory body.

Under Part II of the Tariff Board Act, the Board inherited the functions of the old Customs Board. This Customs Board had been composed of the heads of the department and its job was to hear appeals from persons or companies who believed they had been unjustly treated by the department. The Customs Board heard appeals on matters of appraisal, rates of duty and so forth. The original intention was to create a tribunal which would ensure proper tariff administration. The weakness in the old scheme was that the persons who made the original decisions, as head of the various branches of the department, sat in judgment upon themselves as members of the Customs Board. In 1931, the Bennett government decided to transfer the duties of the Customs Board to the Tariff Board and the avowed purpose was to remove tariff enforcement from political control.

Belief in Court Powers

Mr. Bennett made the position clear during the 1931 debates. "At the present time," he said, "those who sit in judgment upon appeals to the Board of Customs are the very men who make the ruling."

The Tariff Board proceeded to discharge its duties under Part II of the statute in the belief that it was a court, charged with the responsibility of seeing to it that tariff enforcement was fair and lawful.

The first trouble arose when the tinplate dump duty case was dealt with. The Tariff Board found that the National Revenue department had broken the law by imposing a dump duty upon an article no longer being "Made in Canada." The Customs Act expressly provided that dump duties can only be imposed upon goods of a class or kind made in Canada.

Troubles Many

Then came the jute twine case involving the arbitrary valuations against British goods. In September 1930 the Customs Act was amended (section 43) to enable the Minister of National Revenue, upon receiving authority from the cabinet, to fix arbitrary valuations upon all goods imported into Canada. Some 12 valuations were imposed against British goods.

The British objected to these valuations at the Ottawa Conference and in the treaty there is an express undertaking on the part of the Bennett government, that all special duties against British goods shall be removed as quickly as circumstances permit. In November, 1932, the Customs Act was amended by withdrawing from the cabinet the power to impose arbitrary valuations against British goods. At the time, it was the firm conviction of the government, as expressed by the late Hon. E. B. Ryckman, that the amendments did not invalidate the valuations then in force.

Previous Decisions

Last fall, Thos. Bonnar and Co., of Montreal, (importers), appealed to the Tariff Board against the payment of the dump duty on jute twines, The Tariff Board in a decision undoubtedly written by Mr. Sedgewick, granted the appeal and declared that the 1932 amendment had nullified the jute twines arbitrary valuation. As the others rested on the same footing, the decision meant that all the arbitrary valuations against British goods were illegal.

Doone Twines, of Kitchener, appealed from the decision of the Board to the Cabinet. The Customs Act permitted such an appeal. The Cabinet heard the appeal in March but reserved its decision pending a general reference to the Supreme Court to determine the status of the Board.

Questions Asked

Three questions were posed before the court. The questions with answers given, follow:

"1. Has the Tariff Board as constituted under Chapter 7 of the statutes of 1932-33 authority to determine questions of law as distinct from questions of fact?

"Answer: No."

"2. Has the Tariff Board authority under said Act to determine that the orders of the Minister of National Revenue aforesaid, fixing the values for duty of such goods, under the authority of Section 43 of the Customs Act as enacted by Chapter 2 of the statutes of 1930 (second session), prior to the enactment of Chapter 7 of the statutes of 1932-33, were annulled and ceased to be effective from the date of the last mentioned enactment in respect of goods entitled to entry under the British Preferential tariff?

"Answer: No."

"3. When the Tariff Board acts under the provisions of part II of the said Act, are its decisions as to the value of goods for duty purposes subject to the approval of the Minister of National Revenue?

"Answer: Yes."

Reasons for Judgment

These answers, of course, effectively dispose of the jute twine appeal. The Board lacked jurisdiction to make its decision and the valuations remain in force. The Supreme Court touches upon this point in its written judgment.

Indeed, the "reasons" for judgment are more devastating in their dismantling effect upon the Board than the categorical answers. Mr. Justice Rinfret notes the major events in the Tariff Board record. The enactment of the arbitrary valuation section September 22, 1930, the Tariff Board Act, August 3, 1931; the amendment in November 1932; the appointment of the Board in February 1933; the reference to the court March 20, 1934.

Judgment Wording

He proceeds to say that the court finds that the Tariff Board is just the equivalent of the old Customs Board which was composed of department officials. "It is," he writes, "a branch of the department of National Revenue.

"The Board of Customs was and the Tariff Board is in no sense a court. By force of the provisions of the Customs Act it is not a judicial body but an administrative body. Its functions were and are purely departmental. Its duties are all in respect to questions of fact."

And again: "It follows that in the performance of its duties under Part II the Board must give effect to the orders of the Minister of National Revenue; and moreover that its decisions are subject to the approval of the Minister, by whose orders the Board is bound as the responsible head of the department."

The judgment then sketches in the position of the Tariff Board with respect to the various sections in the Customs Act with which it has to do.

With regard to section 43 (arbitrary valuations) the position already is clear. The Board has nothing whatever to say regarding the legality of any order issued by the Minister of National Revenue.

Duty Rate Powers

Then there is section 54, which covers cases where doubt arises as to the proper rate of duty. The judgment finds that the Tariff Board has jurisdiction to handle an appeal under this section. Its decision, however, must be approved by the Minister of National Revenue, and, in any event, may be appealed to the Cabinet.

Section 48 covers erroneous appraisal by customs officials. The Tariff Board, says the judgment, has only power to deal with physical values and facts. "The Board, of course, must have regard for the law but the law includes all orders-in-council and ministerial orders. In no way is the Tariff Board authorized to dispute the validity of either an order-in-council or a ministerial order and far less to determine the conditions of that validity or to pronounce upon any other question of law, which, in the case of conflict between the Crown and the importer, are left to the determination of the courts of justice."

If a value for duty has been fixed by the Minister, the Board has nothing to say about it.

Minister Must Approve

Section 38 covers the fair market value of goods and, in this case, the Board may make decisions, but the Minister must approve them before they are effective.

As to the jute twine case, one important point is involved and considerable ill-feeling, it is thought, may develop in the United Kingdom.

The dispute between the National Revenue department and the Tariff Board (for that is what really is in the background of events during the past year), came to a head over the jute twine decision. The Tariff Board ruled that the statute of 1932 nullified all arbitrary valuations on British goods. The valuations now in force cover jute twines, wire rope, several alloys, a wide range of textiles and so on. The Board's decision was appealed to the government but the government reserved judgment pending the outcome of an appeal to the Supreme Court. The Supreme Court has destroyed the Tariff Board as a judicial body and with it the jute twine decision.

Fiat Needed to Appeal

But the Supreme Court has this to say of the legality or otherwise of these valuations: "The court is not asked to say if these decisions were right or wrong. It was made clear at the argument that in our answers we are to limit ourselves to the abstract questions referred to us."

Later on, the judgment remarks that the question of the legality of the arbitrary valuations is not within the jurisdiction of the Tariff Board, but of the Exchequer Court.

In order to carry an appeal to the Exchequer Court, it would be necessary to obtain a fiat from the government.

Expect Wool Prices Soon to Recover

Wool buyers in Great Britain and Canada believe the recent drop in wool prices will be only a temporary reaction with prices soon returning to the levels recorded last month, The Financial Post is informed. Due to heavy slaughterings in Australia in 1932, the '33 wool clip was 123,000,000 lbs. below the 1932 level. Surplus stocks have been reduced to a minimum.

The statistical position of wool is extremely sound owing to this large decline in Australia's 1933 production and, as this decline was due to slaughterings in 1932, it is not felt that flocks have been built up so that the clip in 1934 can be much greater. One cause of the decline in price was a report from Australia interpreted to read that the '34 clip would be the largest in five years. Actually the message stated the value of the 1934 clip would be the greatest in five years, due to the rise in price.

REICH INCLUDES DAWES AND YOUNG IN MORATORIUM

No Interest on Foreign Debts for Next Six Months

What amounts to a complete moratorium on all foreign debts has been declared by Germany from July 1, 1934. The Dawes and Young bonds are included, although the door is left open for those countries which wish to negotiate on the basis of taking more German goods

Most European countries including Britain and France which have been buying more from Germany than they sell are in a position to press for more favorable treatment, but unfortunately Canada is classed with United States in so far as holdings of the Dawes or Young bonds is concerned. And the American balance of trade is all the other way.

Values Drop

About $64,000,000 of the Dawes plan 7's of 1949 and $91,000,000 of the Young 5½'s of 1965 are outstanding in United States and Canada. Both issues are a direct obligation on the German Government and are secured in addition as first charge on custom receipts and taxes on beer, tobacco, sugar, etc. On receipt of Germany's decision the 7's of 1949 sold on June 13 at 53 in New York due 1949 compared with a 1934 high of 87½ while the 5½'s of 1965 dropped to 36¼ against a high of 63½ for the year to date. Since then there has been some recovery.

It is understood that the moratorium will not affect interest payments due to United States and Canadian investors for the first six months of 1934 since bondholders in other countries have got payment. No such payments have been made to holders on this continent because the scrip to be issued had never been registered. At the recent Berlin conference, however, assurance was given that Germany would proceed with the registration.

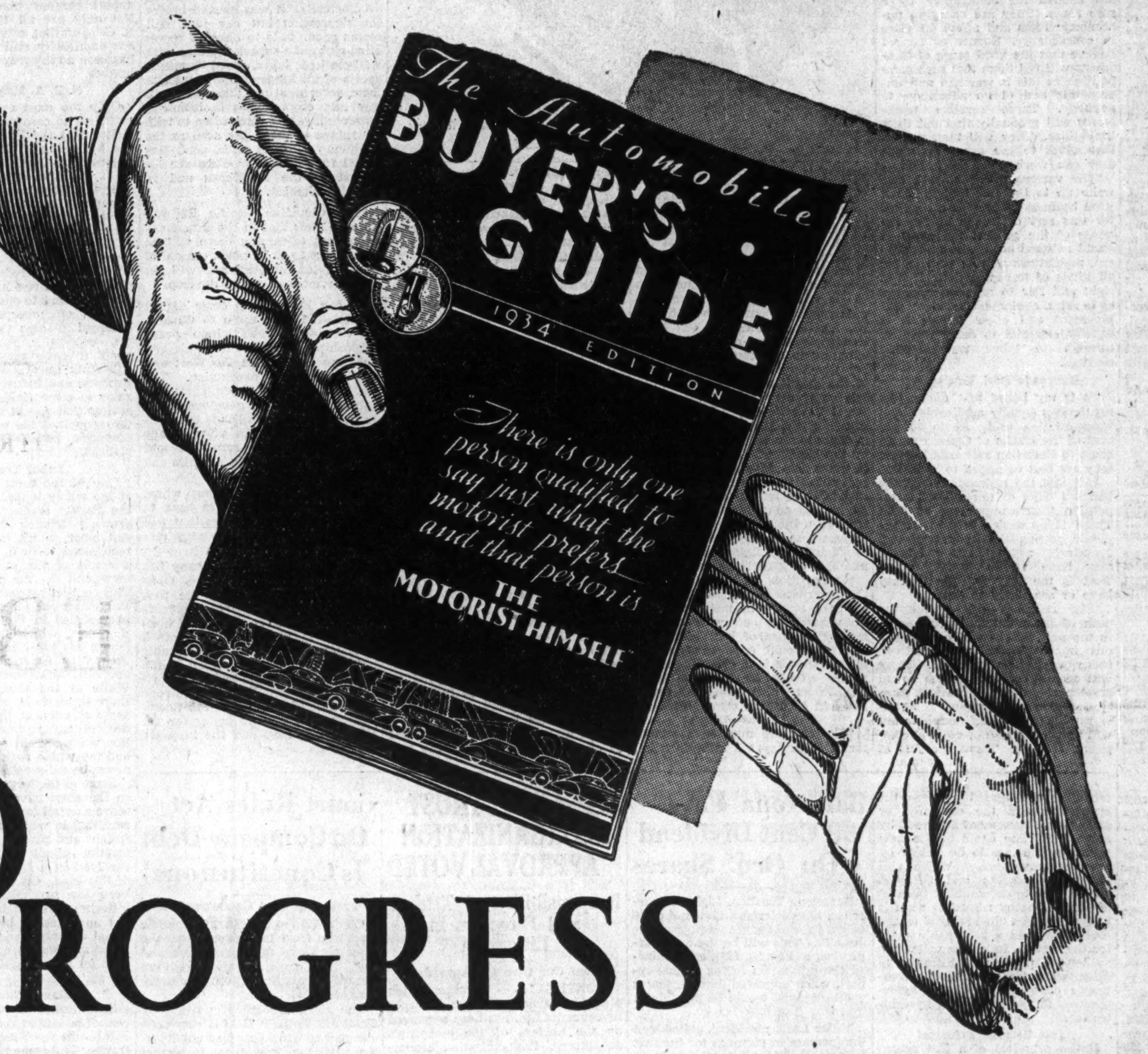
Restricted Interest

It is understood that the German Government favored putting the Dawes and Young bonds in the restricted payment class on commercial bonds whereby the investor would have the option of taking interest, six months after due, either at the rate of 40 cents on the dollar or in 10-year, three per cent bonds. This attitude met with strenuous objection on the part of France, Britain, United States and other creditors.

In the meantime all payments are suspended but Germany denies that there will be any tampering with the mark. The step was taken, according to Berlin, to prevent bankruptcy and to give the Reich a chance to build up falling exports while waiting for the tangled foreign exchange situation to clear.

"AN EYE TO THE FUTURE - AN EAR TO THE GROUND"

—this describes General Motors' policy, a policy by which the public is given *what it wants in better cars* year after year, and yet is safely protected against ill-timed or dubious experiments


The Automobile
BUYER'S GUIDE
1934 EDITION
There is only one person qualified to say just what the motorist prefers and that person is
THE MOTORIST HIMSELF

PROGRESS

out of the Common sense of Canadian Motorists

IT is no secret that the new cars of General Motors this season are riding the flood tide of popular approval.

We think they deserve to, being the best automobiles and the finest values that we have so far been able to offer.

They are being acclaimed no less for their graceful streamlined beauty than for their healthful ventilation and Floating Ride.

They represent progress, in every direction that contributes to the pleasure and usefulness of an automobile.

That the marked departures this year in our cars are sound and successful is only in part our achievement.

To a very substantial degree their source and perfection is the common sense of Canadian motorists.

Months before production, we checked our designs against *what the public wanted*. Through the answers of more than 60,000 Canadians to our Customer Questionnaires, we received priceless guidance in shaping into beautiful and progressive form our engineers' ideas and developments.

The results—as evidenced in the new Chevrolet, Oldsmobile, Pontiac, McLaughlin-Buick, LaSalle and Cadillac—confirm once more that he travels farthest in the right direction who is willing to listen as well as to lead.

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LASALLE *The Beautiful*

CADILLAC *Standard of the World*

CHEVROLET AND GMC TRUCKS *For Lowest Hauling Costs*

BRAZILIAN TR'N. RATE REDUCTIONS REDUCE PROFITS

Net Nearly Two Million Dollars Below Previous Year

HARD TO REMIT

Payments in Milreis Paper—Business of Company Shows General Improvement

Brazilian Traction Light & Power Co. net profits were down nearly two million dollars from 1932 for the year ended Dec. 31, 1933, being $3,428,955, or equivalent to 48½ cents per share as compared with $5,239,468 or 74 cents a share in 1932. On the other hand all lines of the company, transportation, electricity, telephones and gas reported increased business, but due to temporary and arbitrary rates fixed by the Brazilian Government and higher taxes, income was reduced.

Exchange and coffee again entered the picture. Owing to poor prices for the latter and government restrictions on the former, the company could not get its earnings out of the country though an arrangement was made first through London and later through New York whereby the accumulations of Brazilian milreis will be gradually exchanged for sterling and dollars over a set 6-year period.

No Dividends

Aside from $23,604 on the few preferred shares, no dividend was paid and according to the report of A. W. Adams, secretary, none is contemplated immediately. In 1932 $3,593,766 was paid out in common dividends so that this saving in 1933 allowed the company to carry forward as surplus $3,405,351 which when added to the previous surplus of $17,381,842 brought the balance carried forward up to $20,789,193 as compared with $17,381,842 in 1932. In the absence of satisfactory and highly restricted exchange, it is stated that the closing rate used for balance sheet purposes can at present only be regarded as nominal, and therefore if the assumed dollar value of cash and other current milreis assets is not eventually realized, it may be necessary to make a transfer from profit and loss account or general reserves to cover the deficiency.

Cons. Income & Surplus Account Years Ended Dec. 31 (Excluding Inter-Company Items)

	1933 $	1932 $
Gross earn. from oper.	28,459,704	29,358,420
Net earn. from oper..	15,496,057	16,789,333
Add: Misc. revenue ..	426,827	174,583
Total rev. of subsids. .	15,922,884	16,963,916
Less: Bond int. & other chgs.	3,554,914	3,132,917
Deprec. & S.F. res.	8,409,567	8,155,144
Net revenue	3,958,403	5,675,855
Add other income ...	260,210	371,425
Total income	4,218,613	6,047,280
Less: Gen. & admin. exp.	339,658	357,812
Amortiz. res.	450,000	450,000
Net profits	3,428,955	5,239,468
Less: Pref. divs.	23,604	23,604
Com. divs.	....	*3,593,766
Surplus for year	3,405,351	1,622,098
Prev. surplus	17,381,842	15,759,744
Balance forward	20,787,193	17,381,842

*Includes $1,907,030, being amount representing stock dividends of 2 per cent paid June 1 and Sept. 1, 1932.

Current Assets Up

Current assets were up almost $10,000,000 due to accounts receivable which included short term notes and securities in Brazil; amount of deposit, less instalments paid, under the so-called "Rothschild agreement" (Brazilian Government plan for liquidating in sterling during six years from August 1933 certain milreis accumulations awaiting remittance); also bonds of The Rio de Janeiro Tramway, Light and Power Co., purchased for retirement and funds in agents' hands for such purpose. These amounted to $21,839,561 as compared with $9,309,211 in 1932. Negotiable investments were down from $1,729,930 in 1932 to $889,425 and cash on hand from $13,446,427 in 1932 to $10,998,040.

Working Capital

	1933 $	1932 $
Current assets	40,815,625	31,063,508
Current liabilities	11,182,815	8,555,707
Working capital	29,632,810	22,507,801
Ratio	3.65—1	3.63—1

Current liabilities were up from $8,555,707 in 1932 to $11,182,815 the increase being due to a rise in bills payable from $6,783,242 in 1932 to $9,246,845. There was little change in the other accounts, working capital being improved over $7,000,000.

Contracts and Rates

Last fall the provisional government of Brazil issued further decrees prohibiting any contracts for payment other than in milreis paper, the same to apply to new and existing contracts. The company, it is stated, could not refuse to obey such orders but complied under protest. Acting under this general decree the various federal and state authorities responsible for the supervision of the contractual services of the company, notified the company to cease billing. Further decrees and orders were issued imposing temporary rates to be effective from the date on which the general decree came into force and will remain in effect until new rate schedules are agreed between the authorities and the company, or failing such agreement are fixed by arbitration. The bases of the new rate schedules are to be settled by technical commissions, which will study the records and accounts with a view to determining the cost of service having regard to what is referred to as a "just return" on the investment and a reasonable price for the service, following which the authorities propose to fix rates in substitution for those in the company's contracts, either by agreement or failing such, then by arbitration.

"Just Return" Principal

If the principal of a just return is given effect, the company expects a material increase in tramway fares in the two leading cities of Brazil and much better returns from the other services which have all been extended during the past year. Higher operating expenses for the current year, it is stated, are the natural outcome of greater volume of business and if the total income of the company had not been reduced by the temporary rates imposed, the operating ratio for the current year would have shown improvement over 1933.

General Situation

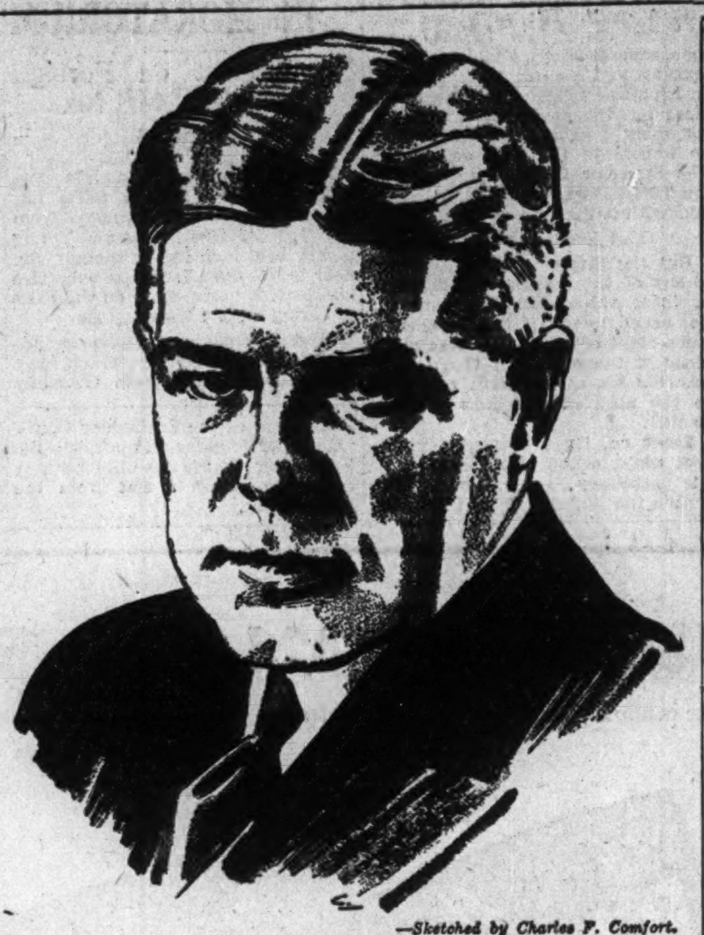
In regard to the general situation in Brazil, Miller Lash, president, states:

"Official statistics for the year 1933 show a net balance of trade in Brazil's favor of £7,659,000 at par as against £14,885,000 at par in 1932, a decrease of £7,226,000 or 48.55 per cent. This decrease in the favorable balance of trade is mainly accounted for by an increase in imports of £6,387,000 although there was also a small decrease in the value of exports amounting to £839,000 in spite of a large increase in export tonnage. The situation with regard to the coffee trade showed definite signs of improvement during the year, 15,459,000 bags having been exported, constituting the greatest quantity recorded since 1915 with the exception of the year 1931, which was abnormal owing to special operations including the barter of coffee for grain with the U. S. farm board. The above figures represent an increase in quantity over 1932 of 29.53 per cent but a decrease in value in sterling at par of 0.38 per cent. In pursuance of the policy established in 1931 the elimination of Brazil's overproduction was the chief concern of the national coffee department. Up to Dec. 31, 1933, no less than 26,065,204 bags of coffee were officially reported to have been destroyed, of which 13,909,908 were destroyed in 1933. Brazil's 1933-34 crop is estimated at 29,880,000 bags, the largest ever recorded, but under decree of the government 40 per cent of this crop is to be sold to the national coffee department for destruction.

"C. P. R. Hotels Must Stand On Own Feet" Beatty

(Continued from page 1)

these trains can give superior comfort, safety, control, and speed at lower cost, and of course that makes it certain we will use them when the time is ripe."



—Sketched by Charles F. Comfort.

EDWARD WENTWORTH BEATTY

Bus Truck Have Place

"The bus and the truck have a definite place in the transportation of the future," continued Mr. Beatty. "They are here to stay. One has only to look at the traffic on the main streets of our large cities to realize that they are here for very good reasons.

"In that traffic he will see moving vans, large trucks, inter-urban buses and private automobiles, and he will know that a certain proportion of these are carrying freight and passengers which ten years earlier would have been carried by the railroads. But their effective range is limited. It has gone beyond economic limits by reason of rate wars, price rebates which no competing railroad company would be permitted to emulate, and faulty accounting, which does not allow the owners to know their real cost of depreciation and other overhead.

Do Not Know Costs

"In the meantime it is no satisfaction for railroad companies to feel that such competitive services are headed for bankruptcy by a sure route. They are charging uneconomic rates and affect all rates in consequence. Sooner or later I believe that the good sense of Canadians will tell them that such competition as this is wasteful and uneconomic and of no advantage to anybody. These services themselves will gradually find out their limitations. They will then restrict themselves to the areas in which they can work most profitably.

"The various provinces will also wake up to the fact that it is not good business to provide a roadbed for this sort of traffic at the expense of the general taxpayer. If sound national economics is to govern, regulations will be evolved for all kinds of transportation. If it is right and fair to regulate railways as to rates, equipment, services, employment and other things, it is equally essential to carry the idea through to other transportation services.

Railroads Best Equipped

"It is my belief that under just regulations equally applicable to all transportation units, 85 to 90 per cent of the traffic of Canada would come to Canadian railroads because they are best equipped to handle it.

"All that the railroads did in the bad old days of unregulated competition their competitors do now. There is no desire to prevent the public getting the benefit of any superiority which trucks and buses may have within limited areas. That is the only superiority they have or are likely to have.

"The railroads will pursue the path of invention and progress as in the past. There will be continuous improvement in locomotives, trains, equipment, roadbed. There will from year to year be found greater advantages in comfort, safety, speed and efficiency. The railways will not be back numbers but will keep pace with or outstrip competing services. There are just as fascinating possibilities for progress by railroads as in any other line.

Private Car Uncontrollable

"The private automobile, it must be admitted, cannot be controlled. There is no limit to its use but the owner's pocket, fancy and convenience. It affects travel by trains and buses alike and will continue to do so. It has changed our problems with regard to our chain of hotels. We no longer think of our large Eastern hotels as necessarily contributing to the company's passenger revenues. A large proportion of the guests come by automobile. The many conventions held at the Royal York Hotel, for instance, result in about $10 going to the city of Toronto for every dollar received by the company. Our hotel system in the future, therefore, will be expected to stand on its own feet. The system is no longer to be considered just as an adjunct to the railroad even though a spectacular and necessary accompaniment. Of course Banff and Lake Louise attract large numbers of tourists by train.

"Competition by the lakes and the government-conducted free canals must always be met but it also is uneconomic competition now mainly because of lack of regulation. It would need international effort but the lake steamship companies should be brought under regulations which would end senseless and cut-throat competition.

Airplane as Adjunct

"The airplane may be a serious factor some day but hitherto it has been supplementary. In this way it has been a valuable aid to Canada, and if all transportation services had their economic areas mapped out so that all were largely complementary to the others there would be an immense advance for railroads, steamship companies, bus and truck companies and airplane companies and for the public.

"Canada must for generations expect to gain her prosperity by shipping beyond her border a large percentage of her raw resources that cannot be consumed in the Dominion. It is imperative that transportation rates should be kept reasonable. They can only be kept low permanently if wasteful competition is avoided.

Unification is Only Way

"That is one of the reasons why I believe that unification of administration of railroads, along the lines I have been suggesting for some years is the only feasible remedy. As the greatest taxpayer in Canada we are interested in stopping the greatest tax drain in Canada. Co-operative savings since July 1, 1933, are to date one and a quarter million dollars. More important economies can be made that way, but by unified administration such as I suggest it is reliably estimated that $75,000,000 could be saved by economies, mainly made in eliminating duplication and even triplication of various lines.

"The railroads should be managed as one to save money for the taxpayer, for the C.P.R. and for the shipper. Representatives of the Canadian National Railways have indicated their belief that rates should be raised to remedy their situation. My view is that rates should be lower and that they can be lowered if unification occurs.

Canadian and Imperial

"The C.P.R. fortunes go up or down with Canada's. Much of Canadian prosperity has been built around the C.P.R. in the past. The company has extended beyond the shores of Canada by means of its fleet of ocean steamships which call at ports in every sea of the world. The depression and the nationalistic policies which hampered imports into most countries affected adversely our ships as they did all others. We have had a good comparative experience, however. Our cruises have become so popular that we are the greatest cruise company in the world at present. Tourists from the British Isles, the United States and Canada patronize these tours extensively.

"We plan to bring as many people as possible to Canada to enjoy our scenic and climatic advantages. The 80,000 acres around the Seigneury Club at Montebello are developing satisfactorily. It was started before the depression but our idea still seems good. It is to develop recreation clubs of a superior nature with well-stocked lakes, good hunting, sports of all kinds and to attract to them permanent members who will buy lots, erect homes in beautiful surroundings and come often to take advantage of them. As soon as the Seigneury Club is on a good financial footing similar clubs are intended in the Maritimes and in British Columbia.

"The Canadian Pacific Railway Co. also feels that in the future development of mining there will be advantages to it. It holds control of Consolidated Smelters and will get more revenue as mines develop.

"It can in times to come expect immigration once more to Canada. In volume this will help ocean steamships, increase rail hauls and purchase of lands in the West and swell Canadian production. The trend to Imperial trade pacts has helped it and every development of an Imperial nature will aid the company still further in view of the fact that its lines run East and West and connect with Atlantic and Pacific ocean fleets.

"When demand for Western wheat and other products comes back to something like old volume that will aid the Canadian Pacific very materially.

"As things are, the company has maintained a strong position. Dividends were dropped for the first time in 40 years but if governments stop their senseless pouring of hundreds of millions of dollars into a rival road and permit a reasonable unification of administration of the two roads under the successful private road, there is reason for strong confidence in the future of this company, and it will be better for the government road and the taxpayer too."

Barcelona Pays 50 Cent Dividend On Ord. Shares

Barcelona Traction, Light & Power Co. has declared a dividend of 50 cents on ordinary shares, payable June 30. This will be the first dividend since Feb. 28, 1931, and followed the intimation in the annual report, whch appeared June 5, that a small dividend would be possible in the near future.

Miller Lash, president, stated that the increase in earnings for the first four months of the current year more than offset the decrease during 1933 and with heavy winter rains, the company was assured of a good water supply and minimum purchases of steam produced power. Materially increased earnings in 1933, when a net profit of $2,484,419 was shown, as compared to $1,310,292 in 1932, were due entirely to the much more favorable rate of exchange, it was reported. Spanish Government restrictions, however, prevented and still prevent, it is stated, full realization.

The labor situation in Spain is reported to be quiet at present but political conditions are uncertain.

C. P. AND P. TRUST REORGANIZATION APPROVAL VOTED

Responsibility of Trustee and Directors in Litigation

From Our Own Correspondent

MONTREAL. — Reorganization plan for Canadian Power & Paper Investments Ltd. has been approved by the holders of the company's debentures. Reorganization became necessary when the company failed to maintain the 50 per cent maximum ratio between borrowings, including debentures, and the market value of assets.

The plan as approved provides that the present debenture holders, in return for waiving the default, will receive a new debenture of the same par value plus two and a half shares of common stock for each $100 of debentures held. Interest payments from August 1, 1933, to the same date in 1938 are deferred, although the plan provides for the payment of interest if earned.

The old preferred stock is exchanged for an equal number of no par value preferred shares, without conversion privileges or cumulative dividends, plus three shares of common stock for each five shares of preferred held.

The old common shareholders relinquished 96 per cent of their holdings, retaining only the right to receive voting trust certificates representing one common share for each 25 shares now held.

Question of Responsibility

Meetings of the debenture holders have been held on two previous occasions, but had to be postponed owing to lack of quorum. At the third and last meeting, several questions were asked by debenture holders seeking further information in regard to the company's affairs. M. M. Sperber, K.C., drew attention to the report of the debenture holders' committee, in which it is stated that the company had borrowed in excess of the amount specified in the trust deed. Mr. Sperber asked if there was not an obligation and a liability on the part of the directors; what the additional securities acquired were; what the present loans were; and what was the value of the assets. In answer to these questions counsel to the committee stated that the information could not be given at a public meeting in view of pending litigation against the company and the Montreal Trust Co., as trustee.

The meeting was told that there had been an improvement in the market value of the company's portfolio from $174,700 to between $230,000 and $240,000.

It was also told that the loans of $705,000 from the Montreal Trust Co. and $138,000 from the Royal Bank, a total of $843,000, were now reduced to $817,500.

Public Utility Earnings

Southern Canada Power

May—	1934	1933	Increase
Gross earnings	$179,978	$167,279	$12,699
Expenses	64,674	61,012	3,662
Net earnings ...	$115,304	$106,267	$ 9,307
Eight months—			
Gross earnings	$1,469,207	$1,428,687	$49,520
Expenses	521,025	501,253	19,952
Net earnings ..	$ 948,002	$ 927,434	$20,568

Southern Canada Power

May

	1934	1933	Incr.
Gross	$179,978	$167,279	$12,699
Expenses ...	64,674	61,012	3,682
Net	$115,304	$106,267	$9,037

Eight Months

	1934	1933	Incr.
Gross	$1,469,207	$1,428,687	$40,520
Expenses ...	521,025	501,253	19,952
Net	$948,002	$927,434	$20,568

Court Rules Act On Company Debt Is Constitutional

From Our Own Correspondent

OTTAWA. — Answering specific questions from the government, the Supreme Court of Canada has found that the Companies and Creditors Arrangements Act of 1933 is entirely constitutional.

The courts judgment written by Chief Justice L. P. Duff is very concise and to the point. The chief justice finds that "legislation in respect of compositions and arrangements is a proper component of a system of bankruptcy and insolvency."

He goes on to point out that the British North America Act placed bankruptcy and insolvency within Dominion jurisdiction and that as late as 1928 the Privy Council ruled to this effect.

N. R. A. OPERATIONS INCREASE SALES OF B. C. LUMBER

High Costs and Labor Troubles Worry U. S. Operators

SAY PLAN FAILURE

Industry in Pacific Coast States Disillusioned — Drive of New Deal Losing Force

From Our Own Correspondent

VANCOUVER. — Canada continues to benefit through the operation of the N.R.A. in the United States, the British Columbia lumber industry being one of the foremost in this regard.

As a direct result of the lumbermen's strike in the States—blamed by operators on Washington policies—the huge Weyerhaeuser, Long-Bell and other lumber mills have been shut down, causing more unemployment and a further reduction in the circulation of money. With high-priced American lumber virtually shut out of the markets of the world through increased operating costs imposed under the N.R.A. and labor troubles, British Columbia has been shipping more export cargoes than ever before. Not only are all the sawmills in B. C. operating, even though prices are admittedly still low, but there has been no interruption in shipping lumber.

N. R. A. Magic Fails

Only the most casual enquiry is sufficient to convince the observant visitor that the Pacific coast states are beginning to feel disillusioned regarding the promised magic of the N. R. A. More specific questioning and investigation serves only to strengthen the conviction that the drive and power of the Roosevelt New Deal, so far as the Far West is concerned, are rapidly losing force.

The expected reduction in unemployment and rise in earning power have not come to pass. The same old bogies of overproduction and enforced idleness among the workers, especially young men just about to enter upon their careers, still stalk up and down the coast. Business and industry report minor gains in some fields, but the great revival that was at first hoped to be the sequel of the new Washington economic policies has not materialized.

Labor Troubles

One of the most serious aspects of the whole industrial situation on the Pacific seaboard has been the growing friction between capital and labor, which is now generally recognized to be at least indirectly a result of the changed economic viewpoint in the nation's capital. This conflict between the employing and employed classes is strikingly exemplified in the strike of longshoremen, which for more than a month has paralyzed shipping in all the major American seaports and deprived 25,000 men of their jobs. While at the moment of writing there seems to be a prospect for an early solution of the long standing difficulties, the losses suffered by the workmen, shipping companies and the whole region will probably never be fully offset.

Some of the largest ship operators on the coast have not been able to move a vessel for four or five weeks, resulting in wholesale re-routing of freight and passengers and the dislocation of all the varied services involved in a transportation tie-up of this kind. On top of all that has been the psychological effect—the bitterness created by constant rioting and clashes between constitutional authority and mob law. The situation has provided a fertile field for Communist and other radical agitators.

Blame Washington

Specifically, of course, the strike cannot be laid at the doorstep of the N.R.A. nor the Washington administration. But some shipping men are free in their statements that the mental attitude created by the socialistic policies recently enunciated by the government, the encouragement given to close unionization and the impression created that the shipping companies should yield greater concessions to their workers have all led to the development of an unwarrantedly hostile attitude among the longshoremen.

However, the longshore strike is merely a phase, and there are many others. Lumbering, of course, represents one of the great basic industries of Washington, Oregon and California, and here is an industry that has been almost stifled by the drastic price codes adopted under the N.R.A.

Lumbering Stifled

"After a long period of depression the industry was just beginning to find its feet again and march up the hill when the N.R.A. came in," the writer was told by one of the best informed lumber authorities in the American Northwest.

"Consumers were just beginning to feel that perhaps they should do some building after all, realizing the lumber prices were never lower and that such conditions couldn't last forever. But when N.R.A. came in force the low price lure vanished, for all quotations rose and prospective buyers promptly edged away from the counter, feeling that perhaps they could wait a while longer, after all. That is the situation today throughout the country: no one is buying our lumber because N.R.A. has boosted prices beyond all reason."

ADVISED TO TURN IN BURNS & CO. BONDS

Reorganization Conditions Complied With and New Certificates Ready

National Trust Co. has given notice that conditions covering the reorganization of Burns & Co. have been complied with so that the scheme become operative and binding upon all holders of first mortgage sinking fund, 5½ per cent twenty year bonds.

Holders are advised to surrender bonds with (except in the case of fully registered bonds) coupon No. 8 due June 1 1932, and all subsequent coupons attached, and will thereupon receive a like aggregate principal amount, of bonds in the new forms on the basis of five such shares for each $1,000 principal amount of bonds now held.

Consolidated Paper Re-open Pembroke Mill

From Our Own Correspondent

MONTREAL.—Consolidated Paper Corp. has reopened its sawmill, at Pembroke, Ont. This mill has been closed down for the past two seasons. As a result of the reopening of the mill, which will be run for about two and a half months, employment will be given to about 250 workers.

Lower Interest Rates

Definite downward trend of interest rates, recorded both in Canada and abroad, has continued during the past year and still lower levels are indicated. Investors, both institutional and private, are experiencing increasing difficulty in employing funds at a satisfactory yield, while obtaining the requisite degree of security.

Dominion of Canada Bonds provide the highest security available to Canadians, and employ funds at a satisfactory interest return.

Dominion of Canada Conversion Loan
4½% Bonds, due November 1st, 1958
(Callable on or after November 1st, 1948)
Price: 105.25 and interest, to yield 4.16% to maturity.

It is convenient to order by mail.

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Beaupré, Que. Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. Iroquois Falls, Ont.
Espanola, Ont. Smooth Rock Falls, Ont.
Pine Falls, Man. Fort William, Ont.

Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Government, Municipal, Public Utility and Industrial Bonds

•

List of current offerings furnished on request

NESBITT, THOMSON and Company Limited
355 St. James Street, Montreal
Branches in all Principal Cities of Canada

119

Additional Issue

$2,000,000

Calgary Power Company, Limited

First Mortgage Bonds — 5% Series due 1964

To be dated June 1st, 1934 To mature June 1st, 1964

Denominations: $1,000 and $500

Principal and interest payable in lawful money of Canada

The Company, incorporated under the laws of the Dominion of Canada, has since 1911 been engaged in the production and sale of electricity in the Province of Alberta. Three-quarters of the electricity generated in the Province is produced by the Company's water power plants. Its 1,850-mile transmission system extends over a large part of the more thickly settled area of the Province, serving a quarter of a million people.

Details of the Company's business and of this issue are contained in the descriptive circular, copies of which will be furnished upon request.

Price: 97 and accrued interest, to yield 5.20%

Delivery if, as and when issued and received by us and subject to approval by counsel of all proceedings. It is expected that bonds in interim form will be available about July 5th, 1934.

Royal Securities Corporation, Limited

News of Investment Markets

RISE OF DOLLAR BRINGS SELLING CANADIAN BONDS

Ottawa Currency Plans Check Advance Canadian Dollar

Appreciation of the Canadian dollar in terms of sterling and the American dollar, brought lower prices for gilt-edged Canadian bonds in the week ended June 19.

Announcement of more liberal legislation for issue of Dominion notes did not affect bond prices materially. It did weaken the Canadian dollar on June 20. In Bond circles, however, this is considered helpful, as long as no sudden panic condition arises in exchange, which might bring heavy selling in Canadian bond markets. Expert opinion seems to be that the Canadian dollar may go back to par, or slightly less, in New York, and that this should tend to affect our bond prices favorably.

Western provincial issues were practically unchanged in the week. Corporation bonds showed many losses, but mostly of fractional amount. Larger losses were scored chiefly by lower-priced speculative issues like Abitibi 5's of 1953. Only major offering of the week was $2,000,000 of Calgary Power 5's of 1964 at 97.

Liquidation came into gilt-edged bonds as sterling dropped well below $5 to the pound, and the premium on the Canadian dollar went well above one per cent in New York. The resultant decline of price and raise of yield is shown below:

Average Yield and Price for Seven High-Grade Canadian Bonds

	Yield %	Price $		Yield %	Price $
June 19	3.934	109.04	June 13	3.903	109.39
June 18	3.926	109.18	June 12	3.889	109.57
June 16	3.904	109.39	June 11	3.873	109.79
June 15	3.904	109.39	June 1	3.831	110.25
June 14	3.904	109.39	May 1	4.033	107.93

Effect of Exchange

The effect of the rise of the Canadian dollar, of course, is to make the Canadian price of bonds higher to the holder abroad, when interpreted in American or British money. This naturally attracted sellers of short-terms, which spread to longs. It is a repetition of what happened in November, 1933, when the Canadian dollar went to a substantial premium in New York. At that time, the selling stopped when this premium disappeared.

News that the Dominion Government budget showed a substantial surplus in the first two months of the current year, including all but C.N.R. outlays, is considered one of the most heartening developments for the bond market in some time.

Postal Telegraph Gross Greatly Improved in 1934

Postal Telegraph and Cable Corp. reported a net loss after all interest charges for the first three months of the current years of $176,710, as compared with a loss of $724,899 for the last quarter of 1933, and $766,832 for the corresponding period last year.

For the first quarter of 1934 gross earnings were up to $7,234,763, as against $6,230,668 for the last quarter of 1933 and net earnings were $529,707 against a loss of $79,028. During the first quarter of 1934 the special foreign exchange reserve which was set up in 1933 from the appreciation in United States dollars was increased from $281,566 to $310,522.

Barclays Bank Announce Changes in Directorate

From Our Own Correspondent

MONTREAL.—Announcement is made by Barclays Bank (Canada) of the appointment of Allan A. Magee, K.C., as vice-president of the bank. In addition it is also announced that the Hon. Charles A. Dunning, Ex-Minister of Finance, has been elected to the board.

Calgary Power Income Holds Well

From Our Own Correspondent

MONTREAL. — Net income of Calgary Power Co., available for interest, depreciation, etc., in the first four months of the current year amounted to $404,223. This compares with $405,563, on the same basis, for the corresponding period of 1933.

The maintenance of earnings in 1934 on almost the same basis as in 1933 is reflected in the company's production of electrical energy. For the four months period ending last April production aggregated 52,670,070 kw.h., as against 51,883,000 kw.h. for the corresponding period last year.

Early in July Ontario to See Beer by Glass

The Ontario election being over, beer by the glass should be obtainable in many hotels and restaurants of the province by the end of the first week in July. Forms of application for licenses to vend beer and wine have been sought by hotels and restaurants in every locality which was not a local option area in days gone by, and the breweries by hard work in the last four months have made it sure that no order need wait long for filling.

The swing-over to the Liberals may delay but makes no change in policy. Mitchell Hepburn, the new leader, has promised even quicker action, but it is difficult to see how he can do it. At any rate, beer by the glass will come early in July.

Any district that had local option in the old days will automatically resume that status under the new laws and such districts can only reverse that situation by giving a 60 per cent majority for beer and wine. However, by the legislation of the last session a wide variety of choice is left open to electors in any such efforts. There are said to be nine different ways in which localities considering a vote to reverse local option can ask to have such beverages. For instance, they can ask to have beer warehouses allowed; they can ask for liquor stores according to the system now in vogue elsewhere in Ontario than in dry districts; they can ask to have beer in hotels; they can ask to have beer and wine in hotels and restaurants; or they can ask to have wine only.

The Liquor Control Board of Ontario is likely to follow old lines in the first instance at least in the granting of licenses. The idea is that the number of licenses issued in various districts indicated the ideas of each locality as to the number necessary but changes of population and character of various districts in the meantime may have an eventual bearing.

Bond Redemptions

Bond Issues	Rate	Due	Redeem.	Price
St. John D. Dock	5½%	Serial	July 5	105
Rowntree Co. Ser. A	6%	10-yr.	Aug. 1	...
Can. Nor. Coal & Ore Dock‡	5%	20-yr.	July 1	105
Ont. Steel	*6%	1943	June 30	...
Nat'l. L. & Pr.	†6%	1949	June 19	...
Can. For. Invest.	7%	1949	Aug. 1	105
Walmsley, Chas.	6%	1943	Aug. 1	103

‡$49,000.
*$35,892 purchase of bonds for sink. fund.
†$20,950 purchase of bonds for sink. fund.

Significant Investors' Index Numbers

1926 = 100

	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
No. of Securities:	17	6	4	4	10	18	8	87	20	113
1929-33:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	27.3	44.0	30.5	38.6
Monthly Figures, 1934:										
January	98.1	11.4	74.9	147.0	66.6	122.6	163.6	118.6	53.5	83.8
February	114.6	13.6	77.1	153.7	73.3	128.2	148.5	123.8	58.0	88.7
March	113.6	13.2	77.1	152.2	76.3	129.4	141.8	128.5	58.0	90.3
April	114.9	13.2	75.2	159.4	76.8	134.3	138.0	133.0	58.1	93.4
May	106.9	13.8	74.3	159.0	79.1	129.9	113.8	128.0	56.7	91.1
Weekly Figures, 1934:										
June 7	102.7	12.5	74.4	157.9	77.3	134.8	131.4	125.9	54.7	93.1
June 14	104.8	12.1	73.5	162.1	78.2	134.4	140.2	129.5	55.5	95.7

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator on page one.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
June 19 close	104.94	124.15	95.24
June 18 close	106.25	124.63	96.01
Week ago	106.27	125.58	97.99
Month ago	103.50	119.79	99.58

Bond Tenders

12 noon, June 25, County of Dufferin—$34,000, 5 per cent debentures, maturing 1935-1954. James Henderson, treas. Box 210, Orangeville.

2 p.m., July 5, Westmount—$220,000, 4 per cent, due serially May 1, 1935 to May 1, 1970. A. F. Bell, sec.-treas.

CAN. WINERIES LARGER PROFITS SALES EXTENDED

More Working Capital and Inventory to Meet Wider Outlet

Canadian Wineries Ltd. showed a net profit of $43,258 for the year ended April 30, 1934, as compared with $7,154 for the corresponding period in 1933. Net earnings of $86,515 were almost double those of the previous year while depreciation was about the same and the allowance for income tax $6,802 against $2,348. After paying $20,293 in dividends there was a surplus of $22,965 compared with a deficit of $7,846 a year ago. Net earnings for 1934 equalled 40 cents per share compared with seven cents for the previous twelve months.

The much better position of the company last year over 1933 was attributed by Fred W. Lee, president, to the wider distribution of wine in Ontario following a change in the provincial law. Still greater distribution, he stated, is expected from the new law which will go into effect in Ontario and other provinces this summer.

The company reported progress in the construction of a plant at Lewiston to take advantage of the American trade. High tariffs, it was stated, have prevented any export but this wholly owned subsidiary at Lewiston, N.Y., it is anticipated by the management, which will take advantage of this year's vintage as well as production from earlier stocks, will overcome the tariff difficulty.

Consolidated Income & Surplus Account Years Ended pril 30

	1934 $	1933 $
Net earn. from oper.	86,515	45,212
Less: Depreciation	36,455	35,710
Income tax	6,802	2,348
Net profit	43,258	7,154
Less appropriations: Dividends	20,293	15,000
Surplus for period	22,965	*7,846
Add: Prev. surplus	102,145	110,908
Less: Inc. tax adj. prior years	1,112	917
Balance forward	123,997	102,145

*Deficit.

Working Capital

	1934 $	1933 $
Current assets	664,357	646,644
Current liabilities	94,253	126,047
Working capital	570,104	520,.597
Ratio	7.05—1	5.13—1

Of the total current liabilities accounts payable amounted to $80,804 and notes payable to $13,450 as against a bank demand note of $45,000, accounts payable $63,736, and notes payable trade $13,750 for the same period a year ago.

CALGARY POWER RAISES CAPITAL THROUGH BONDS

Proceeds of Bond Issue Will Go Toward Reducing Loan

From Our Own Correspondent

MONTREAL. — Royal Securities Corp. is offering to the public an additional issue of $2,000,000 5 per cent first mortgage bonds of Calgary Power Co.

These bonds form part of a new series and are to be issued upon retirement and in replacement of $2,000,000 being part of $2,600,000 in bonds issued in 1931 and pledged with the company's bankers. Of the latter, $60,000 have been retired and the balance of $540,000 remaining after replacement by bonds of the current issue will be returned to the company.

The consolidated balance sheet of Calgary Power as at December 31, 1933, showed bank loans totalling $1,837,000, against which the company had hypothecated $2,600,000 of its first mortgage 5 per cent bonds due 1960.

Details of Issue

Particulars of the issue follow:

$2,000,000, Calgary Power Co., 1st Mortgage Bonds, 5% Series, due 1964

Dated June 1, 1934. Due June 1, 1964.

Company—Largest public utility operator in Alberta. Also operates in Saskatchewan.

Payment—Principal and interest payable in Canadian funds only.

Purpose of Issue—Proceeds of sale will be used to retire current floating indebtedness.

Security—Rank equally in all respects with outstanding first mortgage bonds.

Sinking Fund—Commencing March 31, 1934, of ½ per cent of greatest aggregate amount of first mortgage bonds outstanding.

Earnings—Income available for interest and depreciation in 1933 amounted to $1,558,993 compared with interest requirements of $600,000 at par of exchange.

Offer—Additional issue offered by Royal Securities Corp., at 97 and accrued interest to yield 5.20 per cent.

Liability of Bank Shares Reduced by Revision

From Our Own Correspondent

MONTREAL. — Final enactment of the revised Bank Act will lessen the double liability attaching to the shares of the Chartered banks in Canada. This feature of bank shares has been a drawback to investment in this type of security. While shareholders have only been called upon in one or two instances to "make good" on the double liability, the contingent liability has tended to restrict a more widespread investment in bank shares.

Under the revised Bank Act, which awaits the approval of the Senate, provision is made for taking away from the chartered banks their only privilege—the privilege of issuing notes. The new Act provides that beginning with 1936 and for the following five years, 5 per cent of the notes issued by the chartered banks are withdrawn each year. During the second five year period 10 per cent of the notes are withdrawn each year, leaving a balance of 25 per cent which the banks will be allowed to retain.

As the note issuing powers of the banks are reduced, the double liability on bank shares will be reduced. Thus at the end of 1936 the liability will amount to only 95 per cent; 90 per cent at the end of 1937, etc. At end of 10 year period, or 1946, the "double liability" will be reduced to 25 per cent, or the same as the note issuing powers left to the chartered banks.

ORANGE CRUSH LIQUIDITY HIGHER REDUCES LOSS

Deficit in Working Capital Replaced by Favorable Ratio

Orange Crush, Ltd., showed a net less of $4,225 for the year ended Dec. 31, 1933, as compared with a loss of $5,109 for the same period in 1932. Net earnings were up substantially to $49,648 as against $21,776, but with depreciation of $17,882 and a reserve of $34,988 against $5,081 in 1932 for doubtful accounts, the above small loss resulted. This was attributed by R. B. Lindsay, president, to the decrease in sales of $21,318 due to the fact that the Orange Crush Bottling Co. was operating under a liquidator and its purchases from the company were considerably below those of the previous year and the excise tax on sugar which amounted to $6,770.

Income and Surplus Account Years Ended Dec. 31

	1933 $	1932 $
Net earnings	48,966	13,828
Add: Int., disct., etc.	682	7,948
Total net earnings	49,648	21,776
Less: Int. & exch.	1,003	2,830
Depreciation	17,882	18,974
Res. for doubt. accts.	34,988	5,081
Loss for year	4,225	5,109
Less appropriations: First pref. divs.	......	11,375
Deficit for year	4,225	16,.484
Previous surplus	5,196	23,206
Add: Adjustment	2,921	......
Less: Prior year inc. tax adj.	......	969
Loss on sale of bonds	......	557
Balance forward	3,892	5,196

In the place of a deficit in working capital of $27,733 for 1932 an excess of assets over liabilities of $25,338 was built up. Total current assets were increased from $41,352 to $61,206, the principal gains being in cash on hand $6,587 against $1,603, accounts receivable $26,440 compared with $16,754 and inventories $28,179 against $22,955 in 1932.

Working Capital

	1933 $	1932 $
Current assets	61,206	41,352
Current liabilities	35,868	69,085
Working capital	25,338	■27,733
Ratio	1.71—1	0.60—1

■Excess of current liabilities over current assets.

Current liabilities, on the other hand, were sharply reduced from $69,085 to $35,868, the main items being a bank loan of $14,161 in 1932, which was wiped out, accounts payable reduced from $23,405 to $12,865 and deposits on containers $20,035 as against $23,242. For the year previous there was also an item termed notes payable of $7,261, which did not appear in the 1933 statement.

DOUBT IF OTTAWA WILL USE FORCE ON FARM RATES

Government Not Committed to Lower Mortgage Scale

From Our Own Correspondent

OTTAWA.—Will the Dominion government use the Federal Farm Loan Board as an instrument to drive down mortgage interest rates?

Reports from reliable sources in the past two weeks have indicated that the answer is in the negative. But the debate on the amendments to the Farm Loan Act in the Commons last Monday night tends to make the issue doubtful.

Earlier in the session there were many rumors, non-authoritative in their origin, to the effect that the Dominion proposed to use the government lending agency to hammer down interest rates to 5 per cent. Prevailing rates on good risks are from 6½ to 7 per cent.

The government, it is stated, is acutely aware of the danger of using strong-arm methods on the interest rate situation. Mr. Bennett, himself, informed the Commons that two of the major mortgage companies in Canada have $59,000,000 outstanding which they borrowed in the Old Country at a rate of 5 per cent. They require a spread of at least 1½ per cent to cover costs of operation and losses.

In the Farm Loan Act it is provided that money shall be loaned by the Board at a rate of 1½ per cent higher than the Board pays. Hitherto the Board has been loaned $10,000,000 by the government at 5 per cent and the rate to farmers has been 6½. Western members of Parliament made a vigorous effort to convince the ministry that the board should be given money at the lowest rate paid by the government. That is, if the government can obtain money for 3.75 per cent, the Board should be able to lend it to farmers at 5¼ per cent. If the government pays 4, the farmers should pay only 5½ per cent, and so on.

The ministers gave some encouragement to this point of view, but carefully refrained from making any commitment. Neither did the government commit itself to the maintenance of a 6½ interest rate level.

It is stated in circles close to the cabinet that the government will be very careful not to take any action which will imperil the line mortgage companies, but that it may be possible, bearing the danger in mind, to drop interest rates to, say, 6 per cent.

ANNOUNCE CUT INTEREST RATE TRUST SAVINGS

Ontario Companies Say Lower Bond Yields the Reason

Ontario trust companies generally have announced a reduction in interest rates from July 1 next from 3½ to three per cent on saving deposits, and it is possible this will be extended to the whole Dominion before the end of the year. As these deposits in Canada amount to approximately $75,500,000 the saving will be a substantial one and should benefit shareholders in the various trust companies.

There has been no general change in rates paid on guaranteed saving certificates issued by trust and loan companies since last March when they were reduced 4¾ to 4½ per cent. but it is also possible, in keeping with the trend of lower interest rates on all classes of deposits and high-class securities, that these may again be lowered slightly in the course of the next few months, authorities inform The Financial Post. On May 1, 1933, banks reduced deposit rates from three to 2½ per cent and trust and loan companies reduced their rate from four to 3½ per cent. While bank officers state that another reduction in rates on savings deposits is not imminent, there is some anticipation that it may develop.

Returns Down

In the case of the saving deposits with trust companies the reason given for the reduction is the difficulty in securing a profitable return on the government and municipal securities in which such funds are invested. During the past year, according to The Financial Post average, yields on such securities have fallen from approximately 4½ to 3.9 per cent and as a margin of at least one per cent is usually considered necessary to carry such business the new rate of three per cent is believed "all that the traffic will bear."

Mortgage Money Plentiful

With guaranteed certificates, which are simply lump sums deposited for a given period up to five years, most of the money so deposited goes into first mortgages and it is stated that there is an abundance of money for such purposes now, much more than the present market seems to want. While there has been a little improvement in building, this is said to be insufficient to use up the money available. Indeed the various moratoria in force in the different provinces, which have had the effect of more or less freezing payments on principal, are looked upon by trust companies as not unmixed evils just now, because if the money was released there would be no profitable place to invest it.

Until unemployment is greatly reduced and people start looking around for houses again the difficulty of investing mortgage money is expected to persist. Rates have been lowered slightly in the last year and it is now possible to get first mortgage money at six per cent, but so far the demand is light.

Findlay Elected President Canadian Fire Underwriters

W. E. Findlay, Canadian manager of the Springfield Fire group, was elected president of the Canadian Fire Underwriters' Association at its annual meeting held this week at Murray Bay, P.Q. Mr. Findlay is located in Montreal.

Robert L. Stailing, Toronto Sun group, was elected vice-president for Ontario and John Holroyde, Montreal, Commercial Union vice-president for Quebec.

Bond Sales

Sherbrooke

City of Sherbrooke, Que., has sold $75,000 of 20-year serial 4½ per cent bonds of René T. Leclerc at 99.787, a cost basis to the city of about 4.52 per cent. Bids were, in part, as follows:

	Bid
René T. Leclerc	99.787
Hanson Bros.	99.61
Bank of Montreal	99.55
W. C. Pitfield & Co.	99.522
McTaggart, Hannaford, Birks & Gordon	99.06

DIVIDEND NOTICES

To the Shareholders of Canada Bud Breweries Limited

Your Directors advise you that earnings are so satisfactory that they expect to pay dividends before the end of the year, and hope to continue same regularly thereafter.

We are advising our Shareholders to this effect so that they may know our position, in view of the efforts being made to have them exchange their stock for other Brewery Stock.

DUNCAN McLAREN,
President.

Bruck Silk Mills Earnings Better

From Our Own Correspondent

MONTREAL. — Current earning power of Bruck Silk Mills is understood to be on a substantially greater scale than that reported in 1932-33.

For the first four months of the current fiscal year ended February 28 last, net earnings, after all charges, are reported to have amounted to $81,000. This compares with an income of $10,000 on the same basis for the corresponding period of the previous year. Net income last March is understood to have totalled $30,000, making a total of $111,000 for the first five months, a period which is relatively quiet for the silk company.

During the last four years, earnings of Bruck Silk have shown a consistent increase, touching a high point in the twelve months ended October 31, 1933, when gross trading profits totalled $477,831, a gain of approximately $171,000 over the previous year. From orders on hand and prospects for the balance of the current fiscal year, it would appear that the company will be able to show a further increase in net profits.

The Cowansville plant is reported to be operating at capacity—a scale which it will be able to maintain for several months to come.

Crédit Anglo-Francais has purchased an issue of $200,000 of bonds of the R. C. Episcopal Corporation of Valleyfield, Que. The bonds are a direct obligation of the diocese and are a first mortgage on the land and the cathedral. The bonds carry 4½ per cent coupons and mature serially 1935 to 1954. The bonds will be offered at 100.

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THE FINANCIAL POST
10c. weekly — $5.00 per year
TORONTO — MONTREAL

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Cost
Summerside, P.E.I.	June	R. A. Daly & Co.	4½%	1954	$40,000	102.54	4.31%
*Montreal	June	Dunn, Fisher & Co., London, Eng.	3½%	1-yr.	£1,246,000	.....	3½%
Saint Eustache Sur Le Lac, Que.	June 6	Paul Gonthier & Co.	5½%	1935-54 ser.	$12,500	99.45	5.57%
Sherbrooke, P.Q.	June	René T. Leclerc	4½%	20-ser.	75,000	99.787	4.52%
Drummondville, P.Q.	June	C. H. Burgess & Co.	5%	1935-64	64,000	102.09	.....
Halifax, N.S.	June	G. H. Morrison & Co.	4½%	1944	13,500	102.56	4.18%
North Bay, Ont.	June	Griffis, Fairclough & Norsworthy	5½%	1934-48	200,000	.....	†5.60%
			6%	1935-52	130,178	.....	†5.70%

*Corrected item. †Offering.

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date	Offered by	Rate	Due	Amount	Price	Yield
Calgary Power Co.	June	Royal Securities	5%	1964	$2,000,000	97	5.20%
Stock Issues—							
Middle Bay Mines	June	C. A. Gentles & Co.	....	Treas.	400,000 shs.	25c	.....
Michipicoten Gold Mines	June	Colling & Colling	....	.....	500,000 shs.	30c	.....

Some Canadian industrials are securing the best profits since 1929.

The Stock Market has not discounted these improved conditions.

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Calgary Power Company Limited
5% First Mortgage Bonds — due 1st June, 1964
Principal and interest payable in lawful money of Canada

HISTORY—Company has been actively engaged in the production and sale of electricity since 1911 and its plants now generate 75% of the electricity produced in the Province of Alberta.

GROWTH—Power generated 1922 43,000,000 KWH. Gross revenue 1922 $ 300,000
" " 1929 123,903,000 KWH. " " 1929 1,507,000
" " 1933 134,025,000 KWH. " " 1933 1,934,252

EARNINGS—Available for interest and depreciation, average for four years, 1930-1933, 2.61 times requirements.

Descriptive circular will be sent upon request

Price: 97 and accrued interest to yield 5.20%

HANSON BROS
INCORPORATED
Established 1883

255 St. James Street
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Harbour 9281

330 Bay Street, Toronto
Phone Adelaide 6408

56 Sparks Street
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The Financial Post

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TORONTO, JUNE 23, 1934

LIMIT TO WHAT PUBLIC WORKS CAN ACCOMPLISH

CANADA is apparently going to have a modest public works programme. The real reason why the Dominion Government is not proceeding with a very large-scale programme, that would put all of the unemployed to work, is that it could not finance the effort. Which is well, for financing public works means borrowing, and borrowing means taxation ultimately. It has been well stated that public borrowing is merely deferred taxation.

The views of Rt. Hon. Arthur Meighen on the subject of spending our way out of depression, as delivered in the Senate the other day, are interesting and significant. Senator Michener of Calgary had suggested house building, slum clearance, a back-to-the-land movement, support for gold prospecting and other schemes to speed recovery. Senator Meighen said in reply:

> "In order to make work we begin one and all to proclaim some idea whose very essence is an addition to the burden of this mountain of debt. Let me run over the suggestions of the hon. senator from Red Deer. I accept modestly the compliment inherent in his speech. Right at the base of it is the conviction that the Federal Government has unlimited means and unlimited credit. Every step of this task is an addition to the national debt. It is, therefore, an aggravation of the central cause of the whole world's condition."

All of this is very true. The fact of the matter is that we have borrowed too freely in the past and not always for productive purposes. We have exhausted the borrowing power that would come in so handy now.

Paul Einzig has pointed out that the money borrowed and spent on the war, if it had been devoted to productive investments, would have so raised the standard of the world's people that everybody would be living in palaces and no one anywhere in slums. But we did not so invest it. We created the money, and spent it in the most unproductive manner possible and so we have not got the palaces and it will take us much longer to get rid of the slums.

INVESTORS VOTE AGAINST THE NEW DEAL

TWO American papers have recently been taking a poll among their readers on the new deal.

The Literary Digest asked its usual millions of potential subscribers whether or not they approved of the Roosevelt policies. As was to be expected from a plain "yes" or "no" question, those approving of the Roosevelt New Deal have a fair majority. It is not easy to answer "yes" or "no" to a question of that character. Most people approve of some of Roosevelt's policies. Many people also feel that they were useful in emergency, but should be abandoned as the emergency passes. A simple "yes" or "no" does not enable people fully to express their views. If there is anything remarkable in the Literary Digest poll it is the fact that the majority voting for the Roosevelt policies is not an overwhelming majority, in view of the manner in which the question was framed.

Another poll has been taken by The Financial World among its readers. This gives some idea of what investors think of the New Deal. In this case a slight majority express opposition to the New Deal as an emergency policy. But nearly 90 per cent vote against the New Deal as permanent policy. And even the 11 per cent who favor the New Deal as a permanent policy are overwhelmingly in favor of its modification and opposed to its extension into further fields.

An interesting question asked of the readers was this: "Is your income larger now than a year ago, as a result of the N.R.A., the A.A.A., or any other government programmes?" Ninety per cent of the readers declared that it was not.

Investors generally represent the class who are bearing the greater part of the tax burden in connection with the New Deal. They represent probably the more substantial citizens whose incomes are higher than the average. It is quite obvious that among this group of people there is determined opposition to the New Deal programme.

CHAIN STORES IN RELATION TO COMMUNITY LIFE

IN THE very remarkable interview with Henry Ford, published in The Financial Post a week ago, one statement stood out. Mr. Ford said:

> "The basis of happy national life is the community. Our industrial and merchandising leaders will have to recognize that. The community, especially the smaller community, is the place where the city and the countryside, the factory and the farm, meet and at that meeting place we shall find security in the future."

The unsolved social enigma of chain store merchandising is this: How is the chain store to make itself a part of each of the local communities in which it operates?

They must do their part to build up local communities because the economic and social welfare of the nation depends on the maintenance of healthy communities throughout the land.

And from a selfish standpoint the chain stores must find a way to participate more usefully in community life because they cannot continue to be regarded as foreigners or invaders and at the same time retain the goodwill of the local citizenry.

The chain stores are fully aware of the problem. They are thinking hard on ways to solve it. Many experiments will be tried by them in the next few years.

The remedy may be found in giving the local managers larger authority to buy supplies in the communities where they sell, to contribute to local charities and other funds, to participate in community affairs generally. But it will require a different type of manager to do the job successfully. The much discussed $25-a-week manager of a chain store cannot be expected to be a community leader. This suggests the possibility of local branches of chains becoming partnerships, in which both the headquarters organization and the local manager are financially interested. The experts at headquarters will dictate merchandising policies; the local manager will run the store and be part of his community.

Whatever the formula that is devised the trend is away from complete centralization of ownership and management.

"LET'S START A PAPER"

ONE of the first moves made by the new Milk Marketing Board in the United Kingdom was to start a paper called The Home Farmer. The purpose of the paper was to put out propaganda concerning the Marketing Board's activities. As the Milk Marketing Board is a governmental body, the publication of the paper is a speculative business venture by the British Government.

The publishers of Great Britain protested against this invasion of their field and received a rather naive reply that the board would be glad to limit the volume of advertisements, which it would accept monthly, to twelve pages instead of the sixteen pages it had originally planned to accept. This, of course, entirely missed the point of the protest from the publishers. On their behalf, Lord Iliffe, publisher of the Daily Telegraph and numerous other publications, wrote:

> "Those objections are, in brief, that the publication of a newspaper lies entirely outside its province. Much of the expenditure which is being incurred on The Home Farmer is not in any way necessary to communicate information to milk revenue. The funds at the disposal of the Milk Marketing Board are being employed in a speculative commercial enterprise in direct competition with the newspaper industry. This was never contemplated when the board was established; and we believe it is as much outside its powers as it is practically unwise.
>
> "This association does not regard itself as appealing for concessions, but rather as endeavoring in as amicable a way as possible to dissuade your board from continuing a course of action altogether without justification."

The board can never turn out a good paper because a paper that is 100 per cent propaganda for one governmental department or one association has no independence and must be a spineless effort.

The most important reason why the Milk Marketing Board should not publish a paper is that it ought not to close up a hundred channels of publicity through established papers in order to gain one new and untested outlet for its propaganda.

But it seems to be the habit for governmental departments, for trade associations, for boards of trade and similar organizations to start a paper. They think that they can get circulation for their views and make a great deal of money.

Such papers utilize funds that were originally designated for more important functions and they do not produce the goodwill and publicity that their sponsors expect.

BEHIND THE SCENES OF HIGH FINANCE

IT MAY turn out to be the case that the most useful work done by the Stevens Committee is to enquire into some financing and refinancing operations of the exuberant late 1920's. The committee is confining itself largely to the task of trying to find some connection between high finance and low wages or high prices to the public. Only incidentally it is enquiring into the effect of extravagant capitalizations on the investor. Yet the investor was the real victim. It is no answer to say that he bought 1928's stocks and bonds with his eyes open. He did not have all the facts he was entitled to have. Many of the facts have come out as a result of subsequent reorganizations of boom-time mergers and recapitalizations; the Stevens committee is putting a few more facts in the record. But it is a sketchy story at best, touching only the high spots.

When companies were bought out by promoters in the rosy glow of that inflated period, they were bought to be sold at a huge profit. And the prices at which securities were sold reflected a prevailing opinion that was put into words by a leading Canadian stockbroker who said that the true function of the stock market was to discount the future twenty years ahead. (He subsequently went broke and hundreds of people along with him.) But the prices at which stocks were sold discounted not what was actually ahead but what the public thought was ahead, or two decades of more abounding prosperity than the world had ever witnessed.

Obviously, a company that could earn, say, a million dollars a year profit at the boom sales and inflated prices of 1928 and which was capitalized at twenty times that figure had only four ways open to it to maintain its profits when sales declined and prices of all commodities fell as well.

1. It could cut expenses, including wages. Expense reduction was difficult especially with taxes rising steadily. A certain measure of wage reduction has been thoroughly justified by the course of economic events. There has not been much wage cutting beyond what was economically and socially justified, simply for the purpose of maintaining earnings on inflated capitalization. But there has been some wage cutting of this character and there is no excuse for it.

2. Prices to the public could be raised. Competition and consumer resistance to price increases has put a hard brake on most price increases of this character, although in some cases, where mergers led to monopoly, an attempt has been made to put the expense of excessive capitalization on the consumer. But mulcting the consuming public is harder in actual practice than the more radical analysts of the situation would have us believe.

3. It could cut out dividends to the shareholders and in some cases pass interest to bondholders.

4. It could go through a process of reorganization to squeeze out the excessive capitalization.

The remedy has been found in most cases in the last two courses. In each case the investor has been the loser. And it cannot be said that in every case the different classes of investors in various companies have taken the blow in proportion to the risk they assumed. Reorganizations have in most cases been effected under the direction of a well-organized inner group whose representations have been more potent than the protests of a larger but completely organized group of widely scattered individual investors.

Workers, consumers and investors are the ultimate losers from both predatory and over-optimistic financial operations. But the investors take the heavier blow. Investors do not look to the Stevens Committee to do much to curb such operations in the future. But they do count on the rehabilitated Companies Act, now being piloted through Parliament by Hon. C. H. Cahan, to set new financing standards. They hope that the nine provinces will follow suit with similar legislation.

Investors have one remedy in their own hands. If they are thoroughly dissatisfied with the way any investment banking group has treated them in the past they can simply refrain from doing business with the same promoters in the future.

SOCIALISM AND FASCISM IN CANADA

SIR STAFFORD CRIPPS, British socialist leader, sometimes spoken of as the "next prime minister of Great Britain," expressed the opinion on his recent visit to Toronto that Canada is well on the road to Socialization. As evidence he mentioned the new legislation governing the marketing of natural products and the Stevens enquiry into low wages and the conditions that produce them.

Sir Stafford could find plenty of other evidence to back his opinion. Legislation of a Socialistic character has been piled on the statute books by governments of every shade of partisan opinion ever since the war. The Socialist asks for collective ownership and democratic management of the big industries. The Canadian National Railways, the Ontario Hydro-Electric System and hundreds of other state-owned utility, financial and other ventures speak of our advance along the highway to Socialism.

But there are Socialists and Socialists, and the definitions of Socialism vary. There are the less impatient radicals who are willing to achieve a redistribution of wealth by legislation and taxation that falls short of complete nationalization of all the so-called instruments of basic production. They find heavy income surtaxes, inheritance taxes, doles, old age pensions, and advanced social legislation adequate to meet their desires. Whether these middle ground Socialists—men of the school of Ramsay MacDonald and Franklin Roosevelt—are merely traitors to the Socialist cause or simply radical Capitalists, provides wide range for debate.

The things that Sir Stafford cites comes closer to Fascism than to genuine Socialism. Fascism like Socialism is a mass movement. The old-fashioned business man, believer by instinct in Capitalsm, thinks Fascism is no whit different from Socialism. It takes a good theorist to differentiate between the two. The only people who are quite certain as to what Fascism is are the Socialists and the Communists. To them it is just a defensive mass movement set up. Capitalistic monopoly to divert the workingman's attention and strengthen the Capitalist dictatorship under cover of a mask of Democracy.

The method of Fascism is regimentation of a country's economic life under political dictatorship. The State intervenes to enforce and control co-operative activity and to define the function of each person.

If we take the new natural products marketing legislation at the limit of the blank cheque powers it gives to the government, it is Fascism, although we know that under Mr. Weir it will not be that. And if Mr. Stevens carries through with the legislation that his speeches and his enquiry foreshadow, it too will partake of the Fascist flavor.

Yet Sir Stafford thinks of both things as Socialism. It is very difficult for the average man to find the difference between Socialism and Fascism. They are both antagonistic to personal liberty.

Sayings of the Week

"Art is convincing only when it springs from conviction."—Aldous Huxley.

• • •

"I am a great believer in luck."—Chas. M. Schwab.

• • •

"Bigotry does not consist in a man being convinced he is right."—G. K. Chesterton.

• • •

"The heart and centre of the world's present difficulties is debt."—Rt. Hon. Arthur Meighen.

• • •

"I am convinced that the majority of people don't want liberty."—Henry L. Mencken.

• • •

"Anybody who ever yet lifted the world succeeded first in standing above the world himself so that he could lift it."—Harry Emerson Fosdick.

• • •

"It is quite as important to prevent a social deficit for the future as to wipe out a financial deficit in the present."—Glenn Frank.

• • •

"The secret of happiness is this: Let your interests be as wide as possible."—Bertrand Russell.

• • •

"The world is moving along rapidly toward either better times or disaster."—Harry Elmer Barnes.

• • •

"Once in my youth I was an American gunman. I held up a Denver coach in the seventies."—The Earl of Lonsdale.

• • •

"Peace conferences ought to sit for the prevention of war and its terrible consequences."—Maxim Litvinoff, Soviet Foreign Commissar.

• • •

"I have been twenty-one years in government, swallowing sufficient sometimes to take down an ox."—Hon. W. R. Motherwell, M.P.

• • •

"The practical necessities of life relentlessly press us all toward further progress."—Edsel Ford, president, Ford Motor Co.

• • •

"For foodstuffs, Britain is the only great importing market left."—Sir William Clark, British High Commissioner in Canada.

• • •

"There is plenty of life left in the consumer." —Sir William Clark, British High Commissioner in Canada.

• • •

"When the people depend on the state to say how much they can plough, how much they can produce, then they are no longer citizens but subjects."—U. S. Congressman James M. Beck.

• • •

"There can be no doubt that the world at this moment is drifting rapidly into competitive armaments to be used for nationalistic purposes." —Newton D. Baker.

• • •

"Legislation regulating the sale of securities should contemplate pre-business activity as operated by honest men. The criminal law should take care of catching the dishonest."—Charles M. Schwab.

• • •

"The rate of speed that we can usefully employ in this attack on impossible social and economic conditions must be determined by business-like precedure."—Franklin D. Roosevelt.

• • •

"Nature may be efficient at reducing the wheat crop, but she doesn't do anything about buying coal for the winter for those farmers who suffer from the reduction."—U. S. Secretary of Agriculture, Henry A. Wallace.

• • •

"We are witnessing an extraordinary spectacle, nation after nation deserting the democratic standard which not two decades ago millions of men gave up their lives to uphold in a war to make the world safe for democracy." —Ogden L. Mills, former U. S. Secretary of the Treasury.

New Books

"THE ECONOMICS OF REARMAMENT," by Paul Einzig. Published by Musson Book Company, Toronto, at $2.

"IRON, BLOOD AND PROFITS," by Gilbert Seldes. Published by Musson Book Company, Toronto, at $3.

Rearmament — which nowadays seems to have replaced disarmament as the objective to which nations of the world are racing — is usually regarded properly as a moral and political question. But it is an economic question as well. The oft-repeated argument that the only thing that will end the depression is another world war is but the reductio ad absurdum of the plea that governmental expenditures on armies and armaments are an effective method of maintaining the people of a country at work.

Paul Einzig, who has written many provocative little books since the oncoming of the great depression, has just completed a little volume on "The Economics of Rearmament." Mr. Einzig declared that when he started to write the book he had no fixed ideas; that he was simply attempting to explore a little known side of the armaments question. But while he may have had an open mind on the question his leaning towards inflation as the solution of the world's debt problems and towards a planned economy as the solution of the "anarchy" of lai sez faire show up in the book.

Few can quarrel with his final conclusions. Admitting the temporary economic advantages of rearmament, which he demonstrates by reference to France, Germany under the Hitler regime, Italy, Czecho-Slokakia and some lesser countries, he reasserts that the attitude of the world toward the problem of preparations for war should be determined by political and moral, rather than economic, considerations. "No economic advantage can be great enough to make it worth while to run the risk of another war."

The Seldes volume is one of a series of books that have suddenly blossomed since the public began to get some slight inkling of the globe-encircling scope of the munitions industry and its propaganda activities. But Mr. Seldes' book has two qualities not usually found together. In the first place, it quotes official and other authoritative documents and lists an extensive bibliography on the subject. In the second place, it is readable and interesting because it is in good journalese.

He concludes, as most students of the subject conclude, by expressing the opinion that to end war it is first necessary to end the munitions racket.

"MONEY SENSE" — By Horace Davis. Published by McGraw-Hill Book Co., New York. Price $2.

Directed primarily at the young man and woman of college age, "Money Sense" is full of sound advice for the young person starting out in life. Styled as "an introduction to personal economics" this book is built around the thought that "those persons who are incapable of keeping their own affairs in order are incapable of applying and maintaining order in the business affairs of others."

The author, former president of the Agfa-Ansco Film Corp., talks clearly and frankly to the younger generation on the need for honest and exact accounting, intelligent budgetting, sensible buying and principles of saving in every individual's life.

Tribute to Life Insurance

The book contains a well deserved tribute to the place which life insurance should play in the savings plan of an average young man. The place it can fill is amply summed up by the author in the following cryptic words: "In one's early life, one should not count on dying, but should be prepared for it, just as in later life, one cannot count on living but must be prepared for it."

Mr. Davis sets down as a principle that if one is to achieve financial independence in later years, it is essential that at least 20 per cent of one's earnings be conserved over a period of 32 years. In other words, he reduces to a simple formula the need for a definite goal in respect of one's financial future, and expresses this by saying that during the 32 years of one's best earning power, it is imperative that not more than 80 per cent of one's earnings be used if one is to achieve financial independence in later life.

One specific suggestion he makes is that these savings might well be accumulated in the form of endowment insurance policies, which achieve immediate protection and at the same time build up a savings fund which would be available and adequate for future needs.

Values for Lifetime

His definition of life insurance, and its place in personal economics, is worthy of repetition. He says:

> "It is important that you realize that the purchase of the insurance policies acquired for your economic foundation is not motivated primarily by altruism or regard for those to whom any death benefits would be paid. Their purchase represents, primarily, selfishness on your part, but such farsighted selfishness as not only presents the greatest certainty of acquiring the personal security you seek, but will at the same time, and as a by-product, provide you with a means of discharging the usual obligations through life insurance at the lowest possible cost to yourself. While we must necessarily refer to them as life insurance policies, your interest n them is in their cash-surrender and annuity-purchase values, and they will be acquired by you, not in contemplation of your death, but in contemplation of utilizing their available values during your lifetime."

As Others See Us

Study City Finances

Kingston Whig-Standard. —According to figures published by The Financial Post defaults on the part of Canadian municipalities amounted at the end of 1933 to 10.9 per cent of the gross funded debt of municipalities in the hands of the public.

For the most part the defaults in Ontario have occurred in suburban areas where over-optimism of the boom days led to large public expenditures in anticipation of a continued high rate of expansion. This applies also to Manitoba and British Columbia, where the greatest difficulties have been in areas adjacent to Winnipeg and Vancouver. In Saskatchewan and Quebec the defaults have been confined largely to smaller rural municipalities.

The situation is one in which Ontario can take little pride. For long years municipal debentures of this province were considered safe and sound for investment purposes. They ranked close behind those of the Dominion and the Province itself. Most of them are still good but there have been enough in default to require that investors scrutinize carefully the financial position of municipalities before buying their bonds.

Causing Trouble for Nothing

Quebec Chronicle-Telegraph. — A companion-piece to the new Federal Companies Act is the new Bank Act, at least in one respect; namely that it greatly enlarges the amount of information which the banks must supply to their shareholders and to the Government.

"Some of the changes clarify the present bank statement and are to be commended," admits The Financial Post of Toronto. On the other hand, it is resolutely opposed to certain information concerning the situations of employees that the banks are to file with the Federal authorities.

The idea back of this demand for information, needless to say, is to protect the employees, if not to improve their situations. But there is no provision for making use of the information, when obtained, in achieving the end in view. And one can predict with considerable confidence that no use will be made of it. In any case, there has never been any difficulty about the Federal authorities getting all the information desired with regard to the inner workings of the banks and we agree with The Financial Post that this section of the Act is going to cause a great deal of trouble for nothing.

Taxpayers' Strikes

Saint John Telegraph-Journal: The Financial Post remarks: "Some day a taxpayers' strike may end governmental wastes."

That is true enough in general, and the remedy suggested is sound but not quite so easy to apply as it looks on the surface. When taxpayers "strike" they seldom reduce their demands on the treasury into which they refuse to pay; indeed they often make increased demands. What are their elected representatives to do then? If they refuse to spend they cause unpopularity; and although governments should be above such considerations, it is nonetheless a contradictory state of affairs when popular government becomes unpopular. If the representatives yield, they pile up debts by borrowing and there is more waste. However, there is no doubt that something drastic will have to be done when fifty and sixty per cent tax defaults amount to a strike of taxpayers.

Other People's Views

Protecting Investors

Calgary Herald.—Laws can furnish a certain amount of protection for investors but a widespread educative move to teach people how to handle their surplus funds in a safe manner would be the best preventative against such losses as were incurred in the earlier years of the depression.

Lower Interest Rates

Edmonton Journal.—The success of last month's loan in London leads The Financial Post to look forward to one on a 3½ per cent basis in Canada this fall that will look after the current year's maturities.

It means a good deal to have such a reference made in a journal like The Financial Post to the possibility of securing cheap money for the provinces through placing behind them the credit of the Dominion to a further extent.

All Controllable

Orillia News-Letter — "Every expenditure in which any government embarks is at some point controllable," says The Financial Post, in commenting on Mr. Rhodes' statement that the Dominion Government has reduced its controllable expenditure by $81,000,000.

As The Post remarks, though, "after a capital expenditure has been made the interest charges are beyond control until the money has been paid off."

That is where the catch comes in. Mr. Rhodes was, of course, referring to the ordinary running costs of the government when he spoke of controllable expenditures. Interest on previous borrowings he classed, as does The Post, as uncontrollable.

But, says The Post, "every cent of interest on public debt is a result of expenditures made or deficits incurred by present or past governments."

The time to control these interest costs is before the expenditures which occasion them have been incurred.

That is just as true of municipal as it is of governmental financing. Once capital expenditures are made the interest costs are "uncontrollable" and that should be borne in mind when outlays of that kind are under consideration.

"Stop Me If You Have Heard This One"

An amusing story is told in the June number of "The P.L.A. Monthly" relative to a Frenchman who was learning English. He had mastered the varieties presented by such words as "though," "bough," "tough," and so on and thought that he was making good progress.

Walking along the Strand he saw a poster reading, "Cavalcade—pronounced success." Overwhelmed, the Frenchman burst into tears and gave up his task!

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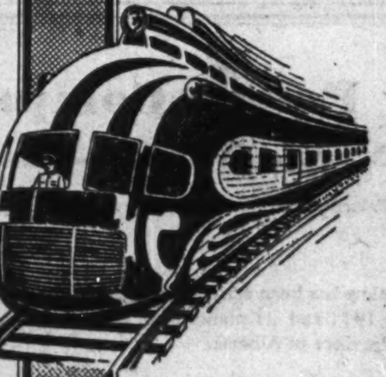

How to "get there" faster

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The Week in Business

Business Advance Continues

EARLIER this year it was freely predicted that the advance in business volume at the spectacular rate of last summer could not be duplicated this year and that the slowing up in recovery seen at the end of 1933 would extend through 1934. Since February, however, each month has shown improvement in business volume while the advance made in May, according to the preliminary compilation of The Financial Post business index, compares favorably with the advances made last summer. Furthermore, there appears to be no reason, as yet, to believe that these advances will be halted.

Not only do statistics of production in major industries and figures for trade and transportation show substantial advances almost without exception, but reports from retail merchants and wholesalers throughout the Dominion stress further increases in volume. No major factor has yet appeared to indicate that a set-back is imminent although at least a partial crop failure must still be considered a possibility. In this direction, however, a vast improvement has taken place during the current month.

* * *

Recession in U. S. A.

BUSINESS activity in the United States, on the other hand, definitely slowed down in May, according to the June 15 business bulletin of the Cleveland Trust Co. The bulletin states as follows:

"Business activity and industrial production have definitely slowed down during the past month. This is the third time since the bottom of the depression that the progress of recovery has been checked by reversal.

"The amount of recession so far is slight, and it would not have serious or even important implications if it were not for the great numbers of unemployed whose prospects for finding work are now diminished. The recovery programme of the administration as explained in the budget message contemplated the rapid absorption of the unemployed by expanding business and industry during this year, with a progressive lessening of federal expenditures that would result in a genuine balancing of the budget by the middle of next year."

* * *

Prosperity in Maritimes

VISITORS to the Maritime Provinces this spring have been impressed by the bustle of activity which is evident both in the cities and throughout the rural areas. Conditions in this area are thoroughly reviewed in a special supplement in this issue of The Post. The expanding trade with the United Kingdom in lumber is probably the most important single factor in this recovery while ocean ports have also been handling heavier volume of all types of merchandise. In a letter to The Financial Post, dated June 13, an Ontario visitor states as follows:

"Prosperity seems to rule in these Maritime provinces. The small lumbering ports are exceptionally busy and the rains of the past few days have quickened dairying activities. The farm season, however, is very backward and warm weather is needed."

* * *

Auto Price Cuts

SUCCESS of price reduction plan to revive declining automobile sales is reported from the United States. Immediate response to the price reductions was reported by dealers throughout the country although in some quarters there was doubt whether or not the reductions would overcome the loss of goodwill caused by the April price increases. Although the situation in Canada cannot be compared exactly with that in United States as there were no price increases of note in the Dominion, success of the experiment might prompt its emulation in Canada as sales begin to decline.

MAY TRADE TOTALS HIGHEST SINCE 1931

Exports and Imports Both Show Considerable Increases

May totals for both imports and exports were the highest for that month since 1931. Total trade amounted to approximately $111,000,000 as compared with $66 million in April and $79 millions in May a year ago.

Imports totalled $52,886,861 in May as against $34,814,000 in April and $32,927,000 in May a year ago, while exports increased to $57,900,000 from $31,582,000 in April. In May a year ago exports totalled $45,576,000.

Among leading items of export, meats, planks and boards and copper showed the chief gains as compared with May a year ago. The volume of wheat, wheat flour and cheese was less than in that month. Leading export items were:

Principal Exports in May

	1934	1933
Wheat	$13,562,154	$13,064,791
Wheat flour	1,652,024	1,735,078
Fish	1,036,061	1,110,792
Furs	894,200	677,280
Meats	2,511,872	1,091,797
Cheese	119,421	175,922
Planks & boards	2,200,673	1,242,659
Wood pulp	2,163,636	1,693,621
Newsprint	7,618,467	6,416,141
Autos and parts	1,862,987	1,118,673
Copper, in matte	2,571,204	1,112,128
Nickel, unmanuf.	2,968,824	2,018,056
All exports	$57,899,511	$45,576,337

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Canada Ski & Wood Products Ltd., is the name of a new firm recently organized to take over the Canada Ski Co. factory at Annapolis Royal. Operations will start immediately, 20 to 30 men being employed. R. W. E. Burnaby, former Maritime trade commissioner in Ontario heads the new concern.

Drumheller Flour Milling Co. is erecting a storehouse adjoining its plant which will double the storage capacity, Calgary newspapers report.

Business Conditions in Canada

MANUFACTURING MATERIAL COSTS ADVANCED IN MAY

Rise in Grain Prices Helped Boost Farm Index

TOTAL INDEX STABLE

June Declines in Traded Commodities Offset by Advances in Many Food Lines

Manufacturing costs increased sharply in May, according to the price indices of the Dominion Bureau of Statistics. Prices of producers' and manufacturers' equipment and materials and building and construction materials advanced evenly, the combined index being 1 per cent above the April level.

Consumers' goods, on the other hand, continued the decline first evident in March, the decline in the price average of foods, beverages and tobacco being one of three per cent. Part of this decline is, undoubtedly, of a seasonal nature. There was also a decline, however, in other consumer goods which are not affected to any extent by seasonal fluctuations.

Higher Than in 1933

Compared with a year ago, there is a considerable advance evident in both the consumers' and producers' groups and in all component parts. The following table shows indices of the past two months as compared with May, 1933.

Wholesale Prices of Commodities by Purpose
(1926 = 100)

	May 1934	April 1934	May 1933
Consumers' goods	73.3	74.3	70.7
Foods, bev., tobacco	68.0	69.9	64.3
Other	76.9	77.3	75.1
Producers' goods	67.2	66.6	63.2
Equipment	89.2	88.0	84.9
Materials	64.7	64.2	60.8
Building mat.	83.3	83.1	75.6
Manuf. materials	61.6	61.0	58.3

Farm Prices Advance

The sharp rise in grain prices in the last week in May is reflected in the higher level of the general index of farm products. This increase occurred despite a seasonal reduction in livestock, butter and egg prices.

Manufactured goods, on the other hand, declined slightly, thus narrowing the spread between farmers' income and the goods they have to purchase. The spread, however, remains one of 15.8 points. Failure of farm prices and prices of manufactured goods to return to near the level of 1926 is generally considered the largest remaining unfavorable factor in the economic set-up of the Dominion.

Comparison of these prices follows:

Prices of Farm and Manufactured Goods
(1926 = 100)

	May 1934	April 1934	May 1933
Raw & part. manuf.	62.2	61.3	56.0
Fully manuf.	72.7	73.8	70.4
Farm products	56.9	55.4	51.2
Field	51.1	48.7	46.9
Animal	66.5	66.6	58.3
Spread—fully manuf. and farm products	15.8	18.4	19.2

General Index Unchanged

There was no change in the general index of wholesale prices in May as compared with the previous month, as pointed out in The Financial Post last week. Although quotations for 110 of the 567 component factors were lower than in the previous month and only 77 higher, the index remained at 71.1. This figure compares with 66.7 in May a year ago, thus showing an advance of 6.2 per cent.

Commodities grouped according to chief component materials show advances in 4 of the eight classifications and declines in the remaining four. Chief advance took place in vegetable products due, as already stated, to a sharp rise in grain prices, while the largest drop was in animal products. Other price changes were small.

Hog Prices Higher

The steady increase in hog prices, due, it is generally admitted, to the increase in bacon exports to Great Britain, accounts largely for the fact that the animal products group has made the greatest recovery from the low levels of May, 1933.

Wholesale Price Indices
(1926 = 100)

	May 1934	April 1934	May 1933
Vegetable products	65.2	64.4	61.0
Animals & products	65.5	67.0	58.7
Fibres, textiles	73.7	73.8	69.3
Wood, products & paper	65.8	65.6	59.8
Iron and products	87.4	87.2	84.5
Non-ferrous metals	64.5	65.7	64.7
Non-metallic minerals	85.5	85.6	84.0
Chemicals	81.9	81.8	81.5
Total index	71.1	71.1	66.9

June Food Prices Rise

While the general trend of prices in traded commodities has been slightly downward during the current month there have been marked advances in many consumer food lines. For example, prices of bacon, butter, flour and fresh fruits are higher than earlier in the year, the three last-named being greatly affected by general drought throughout the country.

Business Briefs

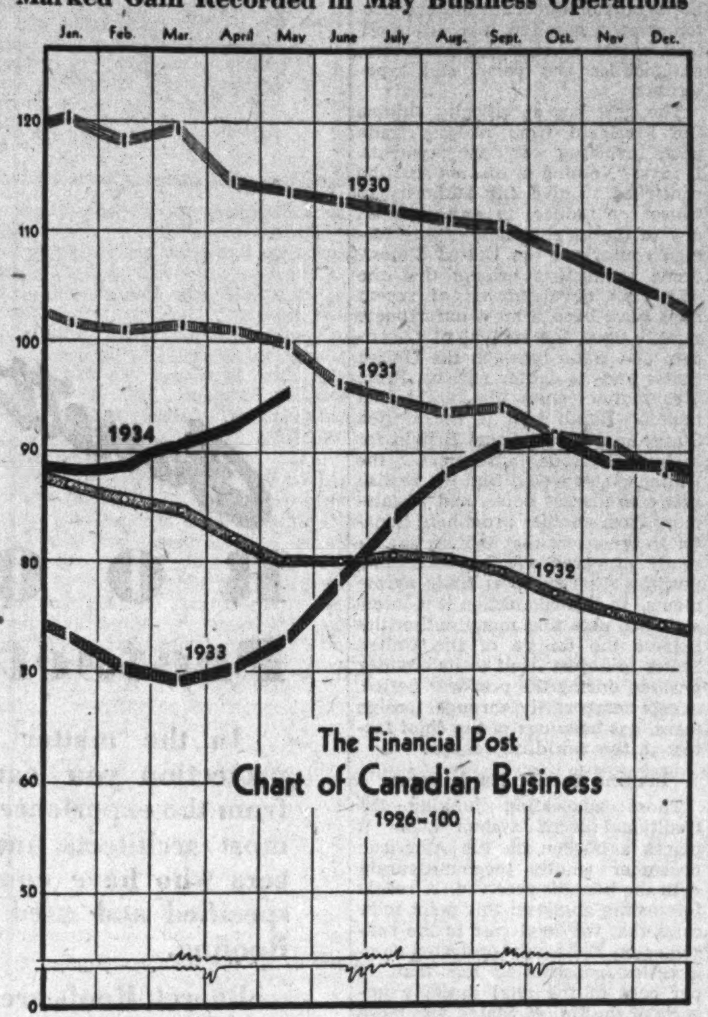
Tonnage handled by the port of Toronto to the end of May showed a 30 per cent increase over last year. Tonnage handled in May totalled 453,075 tons, more than 90,000 tons greater than the previous record of August, 1933.

Car Loadings in the week ended June 9 totalled 42,933 cars, or 1,681 less than in the previous week. The adjusted index number reached the low point for the year at 68.98.

Creamery Butter production in May was 24,372,291 lbs., a 5.3 per cent increase over May, 1933.

Building Permits issued by 61 cities in May were higher by 31 per cent than in the previous month and 42.4 per cent above the total recorded in May a year ago. Permits issued totalled $2,942,096, compared with $2,246,000 and $2,065,000 in April, and May, 1933, respectively.

Marked Gain Recorded in May Business Operations



Business operations were again in the limelight in May, recording a clean-cut gain over the preceding month. The Financial Post preliminary index moved up to 95.9 from 92.6 in April, reaching a new high level since June, 1931. Lead and silver recorded increases while other mineral production indicators showed recession after seasonal adjustment. Food production was strong, especially the milling and meat-packing industries. Newsprint production and the export of lumber were in heavy volume. The production of pig iron recovered while the output of steel ingots was practically maintained. The expansion of external trade was also a sign of returning prosperity.

May Business Level Highest in Three Years

Preliminary Business Index of The Financial Post Records Important Gain from Previous Month —Is 17.3 Points Above May, 1933, Level

By SYDNEY B. SMITH

Establishing a new high point since June, 1931, business operations in Canada showed a further marked expansion in May. The Financial Post index, according to preliminary information, was 95.9 compared with 92.6 in the preceding month. The index has now moved up sharply for four months counterbalancing the minor reaction in the fall of 1933. The gain in the index over June of last year when a pronounced betterment had been apparent for three months was no less than 17.3 points.

While the gains of last year from March to October were spectacular, it now appears that the advance is being resumed at a pace which is also highly gratifying. The level of operations is now greater than obtained from 1919 to the middle of 1925, and if the advance is continued at the same rate, it will not be long before the level of 1926, the base year, will be exceeded.

Bond Prices High

The gain in business operations was only one of a series of favorable developments in the economic situation. The advance in high-grade bond prices to a new high point in post-war history was a development full of significance from the viewpoint of general conditions. An index based on the bid quotations for four Dominion Government bonds reached a high point for the period of observation. The yield of Ontario Government bonds averaged 4.06 per cent in May, a new low point for the last 15 years.

The return of confidence and the extremely low rate of short-term interest rates in external money markets, are having the desired effect. A prerequisite to business recovery in a form which is unmistakable has been placed before the public. Bank deposits, both demand and notice, showed gains at the first of May, and a slight increase was shown in current loans. Common stock prices declined in May from the high point of April and commodity prices were maintained following declines of a moderate nature for two months in succession.

Changes Summarized

Summarizing the changes in industrial activity, mineral production factors with the exception of silver and lead were off from the high level of the preceding month. The food industries staged a strong comeback, with the milling and meat packing groups recording a good gain. Newsprint furnished the bright spot of the month and lumber shipments recovered. The primary iron and steel industry was more active. Contracts and permits recorded gains in May but the index of construction is low compared with prosperous years. The external trade of the Dominion after seasonal adjustment reached a new high level for the year.

Minerals—The gain over April in the export of copper was less than normal for the season, the total in May being 31,757,000 pounds. Nickel exports were at a high level, a recession being shown from April after seasonal adjustment. Lead production in the latest month for which statistics are available was 26,300,000 pounds compared with 21,800,000. The index of zinc exports was 193.6 compared with 201.3 in April. Gold shipments were 252,440 ounces compared with 229,629, the index due to seasonal adjustment declining from 183.0 to 181.6. Exports of silver gained sharply in May, total shipments from Canadian mines being 1,559,000 ounces compared with 604,000. The gain in asbestos exports was less than normal for the season.

Milling Industry Active

Foodstuffs—The index of the output of manufactured food products was 85.1 in May compared with 77.8 in April. The flour milling industry was more active in all important departments during the latest month for which statistics are available. The index of wheat flour production was 81.4 compared with 65.7. Rolled oats showed a slight gain after seasonal adjustment and adjusted increases were recorded in oatmeal and corn flour.

Meat Packing—The meat packing industry accelerated operations, slaughterings of hogs being 266,000 compared with 252,000. The gain in cattle and calves was slightly greater than normal, while sheep and lamb slaughterings were off slightly. Cheese exports were at a low level, a gain being shown over April. Exports of canned salmon were 1,313,000 pounds compared with 835,700.

Footwear—The index of pneumatic casings has shown progressive gains since the first of the year even after seasonal adjustment. The gain in the index of leather boot and shoe production was from 94.1 to 100.3.

Lumber and Paper—The lumber and paper index moved into a new high place for the year at 103.6 compared with 94.2 in April. The feature was the sharp gain in newsprint to a new high point since 1929. Output was 242,539 tons compared with 216,507 in April. Wood pulp exports reached a higher level, the index being 68.5 compared with 64.7. Lumber exports were 112,800,000 ft., the adjusted gain over April being 6 per cent. The gain in export of shingles was less than normal for the season.

Heavy Iron Output

Iron and Steel—The output of pig iron recorded a marked gain at 38,189 tons compared with 27,355. The gain in steel ingots was less than normal. The index of iron and steel imports moved up from 47.9 to 62.3.

Construction—Construction contracts and building permits recorded seasonally adjusted gains in May. Contracts were $17,400,000 compared with $11,500,000, and building permits showed a significant gain at $2,965,000 compared with $2,246,000. While the construction index moved up from 28.9 to 35.1, it still leaves much to be desired. The gain in carloadings from 177,197 to 194,000 was less than normal for the season.

Trade—An outstanding gain was shown in imports, the index moving up to 82.8 from 69.3, a ten point rise being shown in the index of exports.

Footwear Output Up

Footwear production in April amounted to 1,645,894 pairs, an increase of 203,874 pairs as compared with the corresponding month last year.

Canadian Business Indicators

Compiled by The Financial Post

▲Denotes new figures this week.

	Weekly Latest 1934	Weekly Latest 1933	Cumulative Total Jan. 1 to date 1934	Cumulative Total Jan. 1 to date 1933
Transportation—				
Car loadings (June 9)	▲42,933	40,824	958,890	784,993
C.P.R. gross earn. (June 14)	$ ▲2,231,000	$ 2,437,000	$ 51,563,000	$ 44,740,000
C.N.R. gross earn. (June 14)	$ ▲3,144,007	$ 2,889,439	$ 71,767,631	$ 59,642,442
Business Conditions—				
Weekly index D.B.S. (June 9)	▲94.4	83.8	......	......
	Monthly			
Business Conditions—				
Financial Post index (Apr.)	92.8	73.0	......	......
Transportation—				
C.P.R. net earnings (Apr.)	$ 1,270,465	$ 538,465	$ 4,496,904	$ 1,835,944
C.N.R. net revenue (Apr.)	$ 1,506,211	$ ‡134,839	$ 1,571,213	$ ‡4,158,082
Iron and Steel (April)—				
Pig iron production (tons)	27,355	......	82,332	35,353
Steel ingot prod., (tons)	70,363	11,384	262,072	75,736
Automobiles (Number) April data—				
Passenger Car:				
Domestic sales*	10,630	5,495	23,681	13,024
Factory output (April)	15,451	6,957	39,770	18,830
Trucks and Buses:				
Domestic sales*	1,453	583	3,127	1,378
Factory output (April)	2,912	1,298	8,248	2,713
Exports (April)	4,838	2,612	15,837	4,662
Construction—				
Building permits (May)	$ ▲2,942,096	$ 2,065,372	$ 7,852,733	$ 6,726,695
Contracts awarded (May)	$ 17,383,100	$ 6,514,100	$ 48,707,800	$ 24,826,100
Newsprint (tons)—				
Production (May)	▲242,539	177,776	1,031,996	723,063
Exports (April)	157,025	113,138	716,206	486,368
Sugar (lbs.)—				
Melting & shipments§	42,808,879	46,463,194	148,716,351	185,859,911
Manufactured§	41,631,337	41,167,462	148,798,969	190,704,556
Flour (bbls.)—				
Production (April)	1,088,785	1,013,486	4,297,761	3,722,279
Wheat flour exports (May)	481,725	565,080	2,092,547	2,020,155
Trade (May)—				
Imports	$ ▲52,886,861	$ 32,926,630	$ 201,306,325	$ 134,274,794
Exports	$ ▲57,899,511	$ 45,576,337	$ 232,322,257	$ 160,708,378
Wheat exports (bush.) (May)	19,023,770	21,464,848	46,296,107	66,369,905
Employment (May 1) D.B.S. Index—				
All industries	92.0	77.6	......	......
Manufacturing	90.2	76.8	......	......
Electric Power Output (April)—				
Total monthly (000's omitted)	1,696,646	1,296,805	6,833,503	5,364,106
Aver. daily	56,555,000	43,227,000	......	......
Other Industrial Indices—				
Lumbering: (April)—				
Plank & board exports	60,869	33,735	391,148	171,075
Boot & shoe prod. (Apr.)	1,645,894	1,442,020	5,682,619	5,103,681
Crude petrol. imports (Apr.)	38,983,458	36,187,424	214,510,044	158,164,621
Cotton imports (Apr.)	9,376,000	4,050,000	43,221,000	25,215,000
Raw rubber imports (Apr.)	5,417,999	1,243,621	21,065,297	9,034,048
Coal imports (Apr.)	574,309	432,445	2,263,756	1,871,831
Finance—				
Failures: (D.B.S. figures)—				
Number (Apr.)	▲141	184	574	806
Liabilities (Apr.)	$ ▲2,009,381	$ 3,022,466	$ 9,438,703	$ 14,041,597
Bank debits† (April)	$ 2,536,000	$ 1,877,000	$ 9,712,000	$ 7,563,000
Bond sales (May)	$ 75,045,737	$ 3,642,849	$ 180,577,335	$ 38,574,725
Life insurance sales (May)	$ ▲33,184,000	$ 32,938,000	$ 156,864,000	$ 156,540,000
Automobile Financing—				
Used cars (April)	$ 1,388,735	$ 998,769	$ 3,259,302	$ 3,037,099
New cars (April)	$ 2,101,501	$ 1,065,995	$ 4,302,846	$ 2,974,196

*Comprising over 90 per cent of total Canadian sales.
†000's omitted. ‡Deficit. §For 4 weeks to May 19.

MAY AUTO SALES NEARLY DOUBLE TOTAL LAST YEAR

Ford and Chevrolet Account for Half Total

Passenger automobile sales in Ontario and Quebec in May numbered 8,102 units, more than half of which were Fords and Chevrolets. Last year May sales numbered 4,724, while the total in April was 5,637, according to an analysis made by The Financial Post of figures compiled by Might's Directories and published in Canadian Automotive Trade.

Chevrolet was the individual leader in May with a total of 2,188 as compared with 1,303 a year ago with Ford a close second with 1,930 sales as compared with 1,015 in May last year. Of the May, 1934, totals, 458 Chevrolets and 451 Fords were sold in Quebec.

Dodge and Plymouth continue in third and fourth places, their combined sales practically equalling those of either of the two leaders.

Oldsmobile Showing Good

Oldsmobile made the best showing in May as compared with the previous month, sales rising from 120 in April to 354. In May a year ago Oldsmobile sales numbered 165. Sales of the twelve leaders follow:

SALES OF TWELVE LEADING AUTOMOBILES
(in Ontario and Quebec)

	May 1934	May 1933	5 Mos. 1934	5 Mos. 1933
Chevrolet	2,188	1,303	5,850	4,097
Ford	1,930	1,015	5,145	2,567
Plymouth	892	462	2,308	1,225
Dodge	866	500	2,373	1,441
Oldsmobile	354	165	507	322
Chrysler	344	162	647	419
Pontiac	316	293	815	1,045
Terraplane	293	132	643	340
Buick	237	215	777	718
Hudson	198	14	396	53
Studebaker*	169	101	447	377
Graham	81	42	219	105

*Includes Rockne in 1933.

Sales by Provinces

	May 1934	May 1933	5 Mos. 1934	5 Mos. 1933
Ontario	6,178	3,616	16,447	10,581
Quebec	1,924	1,108	4,318	3,134
	8,102	4,724	20,765	13,715

Five Months Sales

Total sales in the five months of the year to date number 20,765 as compared with 13,715 in the same period of 1933 and 15,765 in 1932. The position of the four leaders is the same as in May, their combined sales accounting for approximately 75 per cent of the total.

Compared with a year ago, Terraplane and Hudson have made the outstanding showing, their combined sales being 1,039 as against 402 a year ago. Ford sales are almost exactly double the total of the first five months of 1933.

Whittall Can Board Adds Two New Members

From Our Own Correspondent

MONTREAL. — J. R. Hughes, Montreal, and A. C. Picard, of the Rock City Tobacco Co., Quebec City, were elected directors of the Whittall Can Co., at the annual meeting of the shareholders. Other directors were re-elected.

. . . wherever well-dressed men congregate

You'll like these new Summerweights "by Brock". Smartly styled in velvety lightweight felts : : : just the hat for the bright days of early summer.

HATS BY Brock

WOLTHAUSEN, BROCKVILLE
Hatters to Gentlemen for over Half a Century

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle, cwt.	$6.25	$6.00	$5.50
Copper, lb.	.09	.08½	.08
Cotton, lb.	.1215	.1225	.0905
Rubber, lb.	.1368	.1363	.0536
Sugar, raw, lb.	.0303	.0280	.0335
Silk, lb.	1.25	1.27½	2.12½
Wheat (Man.) bu.	.77⅞	.77⅞	.66⅞
Hides, lb.	.10	.09	.12½
Coffee, lb.	.10½	.10½	.07½

Weekly Indices

	Latest week	Previous week	Same week last yr.
N. Y. Annalist	114.4	112.9	93.7
Fishers'	77.4	75.9	†63.6
N. Y. Journal of Comm.	76.0	75.5	61.5
Crumps (Brit.)	64.5	64.7	†62.4
U. S. Labor	73.8	73.9	64.0
Canada (D.B.S.)	71.7	70.7	....

†Average 1933.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.)			
Retail (May)	78.7	79.6	77.0
W'sale (May)	71.1	71.1	66.7
U. S. Labor (Apr.)	73.3	73.7	60.4
Gt. Brit. (Apr.)	69.4	70.0	65.6

Note: Indices on all base 1926 = 100, except N. Y. Annalist which is 1913 = 100. British index is Board of Trade converted to 1926 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15. New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W. Pt. A. basis: hides—heavy native steers: coffee—Rio, No. 7, spot, New York.

Rogers Majestic Stock Listed on Montreal Curb

From Our Own Correspondent

MONTREAL. — Montreal Curb Market has called for trading 150,355 outstanding Class A shares of the Rogers Majestic Corp.

Flax Growing in Quebec

The Province of Quebec is to take up flax growing on a larger scale this year and next, according to reports from the Department of Agriculture. An expert in flax from Belgium, Robert Gonckeere, has been engaged to survey the crops of the province.

John W. Hobbs Joins Canada Trust Board

John W. Hobbs, Toronto, president Consolidated Plate Glass Co. of Canada, has been elected a director of The Canada Trust Co. and also a member of the Toronto advisory committees of The Canada Trust Co. and The Huron & Erie Mortgage Corp.

Mr. Hobbs is president of The Continental Life Insurance Co. and is a director of C. P. R., Imperial Bank, Lake of the Woods Milling Co., and several other corporations.

I Have a Position

The question may be raised why a person with a position—and a good one—should be looking around for another. The answer is —AMBITION.

In my present position I have gone as far as "organization set-up" will allow for a considerable period of time. Many would be satisfied to sit tight, but I'm not built that way. I insist on keeping on going.

As Canadian Manager of one of the largest concerns of its kind, I travelled Canada from coast to coast for five years. For the past five I have been in the East. I have bought, sold and written advertising.

Proof of actual results in Sales, Sales Promotion and Advertising — profitable to my past and present employers—gladly submitted.

Do these qualifications fill a need in your organization?

● Write Box 222, The Financial Post, 481 University Avenue, Toronto.

Service

has made the Toronto Hydro-Electric System famous in the public utility field.

In the construction of its new Administration Building, it was natural for the System to select materials and equipment whose Service — proven by past performance—would measure up to its own exacting standards.

It is a matter of pride to our Company that a Murray-Made Bonded Pitch and Gravel Roof and Donnacona Roof Insulation Board were chosen for this splendid building.

Murray Roofing Service is complete. It embraces the entire installation — insulation, roofing, flashing and drains. There is a Murray Roof for every type of building.

Murray engineers will be glad to consult at any time without obligation. Write or call the nearest office.

A Surety Bond definitely guarantees trouble-free and expense-free service over a period of 10, 15 or 20 years, according to the specification selected.

Only authorized roofers are permitted to apply Murray-Made Bonded Roofs, the entire construction being under the direct supervision of Murray engineers.

Above, Administration Building, Toronto Hydro Electric System, Toronto.

Architects, Chapman & Oxley.

General Contractor, A. W. Robertson Limited.

Roofer, A. Mathews Limited.

Alexander MURRAY & Company LIMITED

MONTREAL - TORONTO - HALIFAX - SAINT JOHN - WINNIPEG - VANCOUVER

Affiliated with Dominion Tar & Chemical Co. Limited
Canada Creosoting Company, Limited--Fibre Conduits, Canada, Limited

Simpsons' Financing Tale of 3 Companies And $15,573,450 Split

Robert Simpson Co. Rentals Produce Earnings of Simpsons Ltd.

WROTE UP ASSETS

Transfer of Properties from Operating to Holding Company Affects Investors in Both

Story of financing of Simpsons, Toronto merchandising organization, as revealed recently to the Stevens committee on mass buying at Ottawa, is a tale of three companies:

The Robert Simpson Co. Ltd.

Simpsons Ltd. (1925).

Simpsons Ltd. (1929).

The first of these is the operating merchandising concern, which has produced the revenues for the other two. Simpsons Ltd. (1929) is the present holding company, controlling The Robert Simpson Co.

Simpsons Ltd. (1925) has been liquidated. In its organization and liquidation cash proceeds of $15,573,450, and 89,031 shares of class A stock of Simpsons Ltd. (1929) became available for its owners.

The chief beneficiaries of the transactions that brought about these distributions were Sir Joseph Flavelle and family interest; the late Harris H. Fudger, his heirs and associates; Herbert C. Cox, chairman of the board of the Canada Life Assurance Co., and his family interests; and various others, including executives and senior staff of the Simpson firms.

Investors Brought In

In the financing of both Simpsons Ltd. (1925) and Simpsons Ltd. (1929), investors became partners. The net result of the deals was that the Flavelle, Cox and Fudger interests were able to liquidate their enormous equities in The Robert Simpson Co. These had been built up between 1898 and 1929 through the highly profitable merchandising operations of the original retail firm. In the flotations of securities in the 1925 and 1929 holding companies, by Wood, Gundy & Co., assets of the Simpson organization were written up by a total of $8,720,700 on the basis of appraisals by the Canadian Appraisal Co. which performed the same office for Burns & Co.

Explanations to the committee of the charging of rentals and ownership of properties within the present Simpson organization are of particular importance to investors. It was disclosed that the Robert Simpson Co. now owns only the old Yonge St. portion of the Toronto store as security for its bonds and preferred shares. And it receives no interest on the balance of $5,510,843 owed to it by Simpsons Ltd. (1929) for properties transferred to the latter.

Affects Investors

On the other hand, Simpsons Ltd. charges The Robert Simpson Co. $1,312,000 a year rent on store properties for which it has not paid the Robert Simpson Co. in full. This is about 10 per cent of the appraised value. According to evidence given to the committee, it apparently represents an increased rent based on the appraisal write up.

Importance of this is that the position of Robert Simpson Co. bonds and preferred stock has been weakened by the inter-company dealings. And this has benefitted the earnings of Simpsons Ltd. (1929) and consequently tended to strengthen its securities at the expense of the Robert Simpson Co. In fact the auditors' report to the committee states that Simpsons Ltd. (1929) has been withdrawing slightly more than the earnings of the constituent companies. It is stated that these matters are of no significance to the organization as a whole. But since there are security-holders in both the Robert Simpson Co. and Simpsons Ltd. (1929) their individual interests are affected.

History Starts in 1872

The Simpson merchandising organization was founded in 1872 by the late Robert Simpson. It was incorporated in 1896 with an authorized capital of $500,000, of which $133,000 was issued. In 1898, Sir Joseph Flavelle, A. E. Ames and the late H. H. Fudger bought the concern. At that time there was $137,500 in $100 shares outstanding. Mr. Ames sold out to the Cox interests in 1902.

The capitalization grew; partly by sale of shares, but chiefly by payment of stock dividends. This table tells the story:

Robert Simpson Co. Limited
Outstanding Capital and Stock Dividends

Year	$100 common outstanding $	$100 6% pfd. stock o/s $	5% 1st mtge. bonds o/s $
1896	133,000	......	......
1898	137,500	......	......
1899	300,000	......	......
1900	375,000	......	......
1901	500,000	......	......
1903	601,900	......	......
1904	605,900	......	......
1905	913,900	......	......
1906	921,400	......	......
1907	1,173,300	......	......
1908	1,183,900	......	......
1909	1,192,900	......	......
1910	1,811,600	......	......
1911	1,822,500	......	......
1912	2,744,900	*2,750,000	2,250,833
1917	†3,350,000	*3,350,000	2,072,518
1925	†3,350,000	*3,350,000	1,852,059
1934	†3,350,000	*3,350,000	1,375,223

* Of which $500,000 was given to common shares as stock dividend. † Of which $2,603,300 was issued as stock dividends, and $746,700 for cash at $100 each.

Issues of Securities

The issues of bonds (£462,500 or $2,250,833) and preferred stock in 1912 and subsequently was made in connection with building and expansion programmes requiring additional capital outlays.

It was brought out in the committee that the effect of these stock bonuses was to increase greatly the rate of dividends on the initial investment. Roughly the stock dividends increased the original shareholders' investment five times; that is, the original holder of one share, and who held it throughout, had five shares in 1924. And the 10 per cent dividend in 1924 was, therefore, equivalent to 50 per cent to such a holder.

The Robert Simpson Co. is still in existence, and is the operating company. Its bonds are gradually being redeemed by sinking fund. The preferred stock is all in the hands of investors. The common stock is all owned by Simpsons Ltd. (1929), and it was through this common stock that the 1925 and 1929 financing was carried out. This financing was outlined for the committee by George Adamson of Clarkson, Gordon, Dilworth, Guilfoyle and Nash, chartered accountants.

1925 Company Formed

Simpsons Ltd. (1925) acquired all the 33,500 shares ($3,350,000) of Robert Simpson Co. common in March, 1925. At that time, undistributed surplus amounted to $4,752,743 or $142 per share. Payment consisted of $150 in cash for each share, or $5,025,000, and the entire 100,000 shares of common stock of Simpsons Ltd. (1925). These were divided three for one among the former Robert Simpson Co. shareholders.

Proceeds of the sale of shares were divided approximately as follows, according to Mr. Adamson:

	Shares No.	Cash $
Flavelle interests	50,000	$2,500,000
Cox interests	25,000	1,250,000
Fudger interests	10,000	500,000
Others	15,000	775,000
	100,000	$5,025,000

In order to raise the funds to make the cash payment to Robert Simpson Co. shareholders, a 6½ per cent bond issue for $5,600,000 was sold to Wood, Gundy & Co. at 90. These bonds were sold to investors at 99, leaving underwriters profits of $504,000. The capital of Simpsons Ltd. (1925), in its four years of existence, was as follows:

Simpsons Limited (1925)
Capitalization Outstanding 1925-1929

	*Common Sh.	$100 6% pfd. stock $	6½% 1st mtge. bonds $
1925	100,000	....	5,600,000
1928	100,000	4,000,000	5,600,000
1929†	100,000	7,000,000	5,600,000

* All issued to common shareholders Robert Simpson Co.

† All securities retired in 1929.

Some of the 100,000 shares of common stock were bought by department managers and other employees, it is understood. The prospectus for the bond issue stated that one of the primary purposes of the issue was to afford this opportunity to employees. Because of these sales, it is stated, control of the 1925 holding company did not rest with any one individual. However, it will be noted that the net effect of the organization of the holding concern was to bring the Robert Simpson Co. interests cash payment for the accumulated surplus up to 1925, and control was left substantially in the same hands as before.

Common Sole Asset

The sole assets of the Simpsons Ltd. (1925) were the 33,500 shares of Robert Simpson Co. stock. This was the security for the bonds, and dividends provided all the holding firm's revenue.

In 1928, Simpsons Ltd. (1925) issued $4,000,000 of preferred stock to investors at 100 to finance the Bay St. extension of the Toronto store, although the store was owned and operated by the Robert Simpson Co. In 1929 another $3,000,000 of preferred stock was sold at 100 for construction of a new Montreal store, also owned and operated by Robert Simpson Co., through its subsidiary the John Murphy Co.

From the proceeds, Simpsons Ltd. (1925) made advances to the operating company to pay for construction. The Robert Simpson Co. still owed Simpsons Ltd. (1925) $4,600,829 in 1929 on account of these advances.

Sold Out in 1929

In 1929 Simpsons Ltd. (1925) sold out to Simpsons Ltd. (1929) for the following securities of the 1929 company: $10,000,000 of six per cent bonds; $10,000,000 6½ per cent preferred stock; 120,000 class A shares and 120,000 class B shares. With the exception of the class A shares, all these securities were sold by Simpsons Ltd. (1925) to Wood, Gundy & Co. for $20,000,000. And then Simpsons Ltd. (1925) was wound up, as follows:

How Simpsons Ltd. (1925) Was Wound Up in 1929

	Cash $	Class A Shs. Simpsons (1929) Shares
Funds and shares available:		
Rec'd from Simpsons Ltd. (1929) for sale of assets:		
$10,000,000 6% 1st mtge. bonds.		
$10,000,000 6½% 1st pfd. stock.		
120,000 shs. Class B stock.		
All of which were sold to Wood, Gundy & Co. for	20,000,000	
and 120,000 sh. Class A stock	....	120,000
Deposit in sink. fund not transferred to 1929 company	1,983,192	
Proceeds sale 30,969 Class A sh. to employees at $50 a share	1,549,450	—30,969
Interest on deposit, etc.	30,752	......
Total	25,562,394	89,031
Distributed as follows:		
Redemption own bonds	5,225,792	
Redemption own pfd. stock	7,350,000	
Redemption subsidiary bonds	82,400	
Dividend on own common	150,000	
Expenses, etc.	205,752	
Balance	10,548,450	89,031
This balance was distributed:		
To 70,323 sh. cash $150 each	10,548,450	
To 29,677 sh., 3 Class A sh. for one	....	89,031

Results of the Sale

One group of shareholders, therefore, took $150 cash for each share of Simpsons Ltd. (1925). These were chiefly the interests which had owned the Robert Simpson Co., and this is approximately what they got:

Flavelle interests	$5,694,750
Cox interests	2,126,400
Fudger interests	1,109,400
Others	1,257,900
Pensions trust	360,000
	$10,548,450

Those who took class A stock for their shares in Simpsons Ltd. (1925) were the officers and management. And a wider distribution of A stock was effected by sale of shares to other members of the Simpson staff.

The $20,000,000 of bonds and preferred stock of Simpsons Ltd. (1929) were offered to investors at 100. A bonus of one class B share was offered with each five preferred shares purchased, leaving underwriters 100,000 B shares for their trouble.

In the course of the sale of securities of Simpsons Ltd. (1925), assets of the Robert Simpson Co. were appreciated $2,816,850. This represented part of the estimated increased value set on properties by the Canadian Appraisal Co. Then in 1929 the book value of assets was increased another $5,903,850. The total increase over former book values was $8,720,700. "The effect of the appraisal write-up (1929) was to wipe out the reserves for depreciation rather than adding it to the cost of the assets," stated Mr. Adamson.

Took Over Properties

Simpsons Ltd. (1929) bought most of the lands and buildings of the operating company Robert Simpson Co., shortly after incorporation in 1929. The appraised value of the properties acquired was $10,778,859. Against this was set the advances of Simpsons Ltd. (1925) of $4,600,829. Thus, instead of Robert Simpson Co. owing the holding firm advances for construction, the 1929 company owed a net amount of $6,178,030 to the Robert Simpson Co., in payment for properties.

In 1930, another $1,808,311 of properties was transferred from Robert Simpson Co. to Simpsons Ltd. (1929). This made the total purchase obligations $7,986,341, against which $2,475,498 has been paid. Thus, in 1934, Simpsons Ltd. (1929) still owed The Robert Simpson Co. $5,510,843 on the purchases.

Simpsons Ltd. (1929) pays no interest on this debt to the operating company. But it charges the operating companies rent amounting to $1,312,000 a year on the properties. And the operating companies also pay taxes, ground rents, insurance and repairs. Simpsons Ltd., however, provides depreciation. In 1933 this amounted to $178,221, or about two per cent of appraisal values, and leaving a net rental income of $1,133,779 to Simpsons Ltd. If maximum rates allowed by the Dominion Income Tax department had been allowed, income would have been reduced by about $200,000, according to Mr. Adamson's statement. He comments on this situation:

Auditor's Comment

"This net rental is more than the interest charges on the funds actually contributed to the operating companies by Simpsons Ltd. . . . and as a result the earnings of the operating companies are reduced and those of Simpsons Ltd. are correspondingly increased. Considering the organization as a whole, however, these property rentals do not affect the earnings, being eliminated in the consolidated statements."

To the investors in Simpsons securities, these rental payments are of prime importance. As Mr. Adamson states, earnings of the operating companies are reduced. This means that holders of Robert Simpson Co. bonds and preferred stock are the losers by the arrangement.

Changes in the capital of Simpsons Ltd. (1929) are shown below:

Simpsons Limited (1929)
Capitalization Outstanding 1929-1934

	Common Class B Shares	Common Class A Shares	6½% $100 Pref. Stock $	6% 1st Mtge. Bonds $	5½% 1st Mtge. Bonds $
1929	*120,000	120,000	10,000,000	10,000,000	......
1930	120,000	120,000	11,250,000	10,000,000	1,250,000
1934	120,000	120,000	11,250,000	9,127,600	1,155,900

* Issued to Wood, Gundy & Co., and 20,000 sh. given as bonus to buyers of preferred.

The issue of $1,250,000 of 5½ per cent bonds at 97½ and a similar amount of preferred stock at 94½ in 1930 was made chiefly to finance construction at the Montreal store and a customers' parking garage in Toronto. Total outstanding bonds have been reduced by the sinking fund.

Earnings Ratio

A summary of earnings in ratio to net invested capital (net outstanding securities, less appraisal appreciation) was presented by Mr. Adamson. It is in part as follows:

Earnings Consolidated Simpson Companies in Ratio to Invested Capital

Year	Net Invested capital $	Ratio earnings to invested capital before deprec. %	Ratio earnings to invested capital after deprec. %
1933	23,325,156	7.8	5.2
1932	23,467,133	2.9	0.5
1931	23,963,971	9.3	6.7
1930	24,507,271	13.4	10.2
1929	21,824,867	15.7	12.2
1928	20,905,851	17.3	14.6
1927	16,147,009	21.2	17.7
1926	15,251,932	20.8	17.0
1925	14,580,289	17.6	13.9
1924	14,056,112	18.1	14.4

Invested capital increased roughly 50 per cent between 1925 and 1929. This tended to reduce the earning ratio, although total profits increased nearly as much substantially. The increase in capital in 1930 has not been offset by more recent reductions. And since earnings have dropped sharply, the ratio to invested capital went nearly to nil.

Dividends and Share Prices

The dividend record of Simpsons Ltd. (1929) and the share prices indicate the effects of the increased capitalization and reduced earnings as follows:

Dividends Simpsons Ltd., 1929

	$100 pfd. 6½% cum. $	Cl. A $	Cl. B $
1934*	nil	nil	nil
1933	nil	nil	nil
1932	1.62½	nil	nil
1931	6.50	1.50	nil
1930	6.50	2.00	nil
1929†	2.16 2/3	.50	nil

Share Prices Simpsons Ltd. (1929)

	H $	L $	H $	L $	H $	L $
1934*	74	42¼	17	10	8	4
1933	52	6	5	5	6⅛	1
1932	55½	12	No sales		9	9
1931	92½	52	44½	36	35¼	24½
1930	95½	88	55	45	37½	30
1929	93⅛	89	60	50	45	33

* To June 16. † Four months period.

Ford Lowers Price Sales Double 1933

Ford Co. of Canada announce immediate reductions of $15 to $25 in the list prices of the 1934 V-8 passenger cars and from $15 to $20 in trucks and commercial cars. As there has been no previous change in the 1934 prices announced last December these reductions are in the original prices.

Business of the company so far this year is running well over twice that of 1933, according to a statement from Wallace R. Campbell, president. It was further revealed that all export business of the Canadian company is up 100 per cent with a particularly large gain in the South African field where the boom in gold mining is helping the situation.

Improvement in sales set in earlier both in Canada and abroad than was the case in United States, it is reported, and while activity is now declining somewhat, as expected, summer business is still described as "very good."

U. S. A. TARIFF ACT PROVIDES MEANS TO RESTORE TRADE

Roosevelt Given Wide Powers to Raise or Lower Duties

TWO AMENDMENTS

Interested Parties to be Given Hearing Before Any Treaty Ratified — Three-Year Term Set

By DR. GAINES T. CARTINHOUR
New York University

NEW YORK. — Both houses of Congress have now passed the administration's reciprocal tariff bill giving President Roosevelt unprecedented powers to raise or lower duties as much as 50 per cent for trade bargaining purposes and also to make trade agreements. Congressional ratification is not required as heretofore. However, he is not permitted to take from the free list a commodity already there, nor to put any commodity on the free list. Thus his power is broadened so that he has the executive authority, previously jealously guarded by the legislative branch, to terminate agreements with foreign nations. Restoration of foreign commerce is one of the greatest problems now before the American people, and everything possible should be done to diminish the unfortunate barriers to trade resulting from post-war anxieties.

Passage of the act has been delayed because of months of bitter partisan dispute and prolonged debate. It revolutionizes American tariff policy and does away with the customary Congressional "log-rolling," so common during political campaigns. Furthermore, it indicates that a strong nationalistic policy has given way to one favoring international reciprocity.

Two Amendments

Two important amendments were written into the act just before its final passage. One provides public notice of intention to negotiate a proposed reciprocal trade agreement and opportunities for hearings of interested parties by the President, or any agency designated by him under such rules and regulations as he may prescribe. This same amendment provides that he shall seek advice from the Tariff Commission, and the Departments of State, Agriculture, and Commerce. Nothing indicates that this provision will in any way hamper Mr. Roosevelt in his negotiations.

The second amendment specifies that the authority of the President to enter into such agreements shall end three years from the enactment of the measure, and that every such agreement shall be subject to termination at the end of three years from the date on which it was made. In the original bill it was not necessary for each agreement to be subject to such terms.

Duties Set

It is also provided that the executive has the power to promise that existing excise duties which affect imported goods will not be increased during the term of any particular agreement. Excise duties cannot even be reduced because the power to reduce duties applies only to what are in fact customs duties. Due to the forty-eight existing treaties and agreements requiring equal treatment for all nations, restrictions have to apply uniformly to all articles brought into the United States, whether from the country with which the particular agreement is made or any other country. There are two comparatively minor exceptions to this rule.

It is significant that the economic life of the United States is not to be forced into a nationalistic straitjacket but is to be expanded by developing foreign trade, and that the two men best qualified to speak for the Republican party are in agreement with the leaders of the Democratic party. Partisan dogma in connection with this particular measure is non-existent. Publicly supporting Mr. Roosevelt, Mr. Hull, and Mr. Wallace, are Mr. Mills, former Secretary of the Treasury, and Mr. Stimson, former Secretary of State, under Mr. Hoover.

While the export business of the United States amounts to only 10 per cent of its annual production, this business is vitally important to the industries affected and usually means the difference between operating at a profit and a loss to the companies concerned. The outstanding export products are tobacco, cotton, copper, gasoline, lubricating oil, lard, wheat, agricultural machinery, automobiles and parts, and typewriters.

The new law specifically enjoins the President from making trade pacts involving war debt payments. It says: "Nothing in this act shall be construed to give any authority to cancel or reduce, in any manner, any of the indebtedness of any foreign country to the United States." Some economists believe that the war debt developments of recent days have been a most unfortunate assault upon the revival of friendship and trade between the United States and its debtor nations. From Washington comes the report that Senator Borah said if the United States approached Great Britain for reciprocal trade agreements, the United States would find the British ready to discuss debts, and a statement from another prominent Senator to the effect that Britain has already prepared a good bargaining position for reciprocal trade agreements. In this connection it is interesting to note that many authorities believe the failure of the United States to adjust itself to its creditor position during the post-war period, except temporarily through foreign loans, has been one of the chief factors in the world depression.

Present Tariffs Burdensome

Those advocating junking the traditional tariff system claim it places a burden on the American consumer wholly incommensurate with the benefits received. A recent interesting study on this point indicates that the total cost to the consumer on 21 heavily protected commodities, constituting less than 15 per cent of the total dutiable imports of the United States, was more than a half a billion dollars. The products affected include sugar, cattle hides, watch cases and movements, flaxseed, carpets, tapestries, raw wool, dairy products, lead, cigars, plate glass, and dolls.

A great commerce between the United States and Canada is natural and should exist. Both countries are able to both buy and sell from each other despite high tariff walls but the aggregate trade volume has suffered a great drop due primarily to the latter. Should British policy force the dominions into economic pacts with other countries, the best opportunity for Canada would probably be with the United States. If some of the obstacles and restrictions to trade would be removed by a reciprocal agreement, there would be a more proportionate increase in the trade between the two countries than has been reported for the first quarter of the current year.

Canada-United States Trade

Next to Great Britain, Canada is the leading customer of the United States, and holds a more significant position in the trade of the latter than South America and Africa combined. But United States exports to Canada during the past five years dropped from $948,000,000 in 1929 to $210,000,000 in 1933. Canada wants to find markets for such products as copper, cattle, dairy products, coal, potatoes, timber, and wheat. And according to the study referred to above, the difficulties of a trade pact are not as great as they appear at first glance. It points out that special concessions are practicable under the most-favored-nation clause on many products of which Canada is the chief source of supply, including meats, fish, ferro-manganese, copper, aluminum, and nickel.

Concessions might also be made, the report states, on such items as dairy products, cattle, and potatoes, the imports of which now constitute less than one per cent of United States domestic consumption. Some observers indicate the advisability of lowering the United States tariff on industrial raw materials and certain non-metallic minerals, which are processed with power, rather than labor, in exchange for a corresponding reduction in Canadian duties on American coal, iron and oil.

Many Overtures Made

Cuba, Brazil, Colombia, Argentina and Germany have already made overtures at the State Department, and others, including Canada, are understood to plan to get in the forefront of the twenty-seven nations with which treaties are expected. Mexico, Portugal, Spain and Sweden are included in the list. As soon as convenient, for all parties concerned, it is likely Premier Bennett and Mr. Roosevelt will discuss the problems involving a trade pact between the United States and Canada. No official announcement has been made to date, either in Washington or Ottawa.

American agriculture cannot expect any permanent restoration until foreign purchasing power for American goods is increased. But even if the tariff programme objectives are worked out successfully, it is understood Mr. Wallace believes foreign purchasing power could not be built up sufficiently during the next two or three years by exports to the United States to make any change in the Agricultural Adjustment Act domestic control programme. He said recently that the United States must abandon at least 25,000,000 acres of farm land, even if a large volume of foreign trade is developed.

Help World Trade

The general plan is to concentrate on articles which the United States particularly needs and obtain corresponding tariff reductions on articles the other countries especially require from the former. The cumulative effect of such a programme, if it is successful, will help to lower tariff walls generally throughout the world. The adjustment will not be rapid and cannot be completed in a year or two but the United States is now on the right path. The general effectiveness of the law will be dependent on the tact and ability with which it is administered.

World trade measured by combined exports fell in the period 1929-1933 from $35,000,000,000 to $12,000,000,000, and United States exports fell in that time from an annual $5,241,000,000 to $1,673,000,000. It will not be an easy matter to regain the lost markets. Unlooked for domestic difficulties have developed in the

form of the Johnson Act limiting loans to governments or agencies of governments in default on debt payments to the United States. This new restriction will not only curb any sales to Russia, but will affect many European countries.

Purvis Joins Board of Bank of Montreal

From Our Own Correspondent

MONTREAL.—Arthur B. Purvis, president of Canadian Industries Ltd., has been elected to the board of directors of the Bank of Montreal. Mr. Purvis, in addition to heading Canadian Industries, is also a director of Dunlop Tire & Rubber Co., General Motors Corp. and other organizations.

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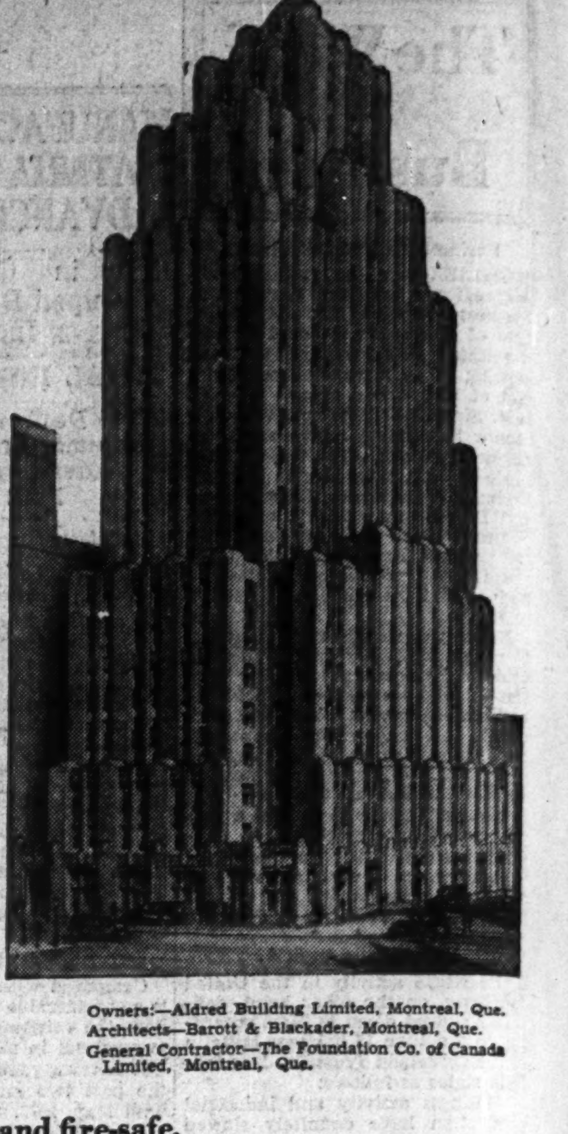

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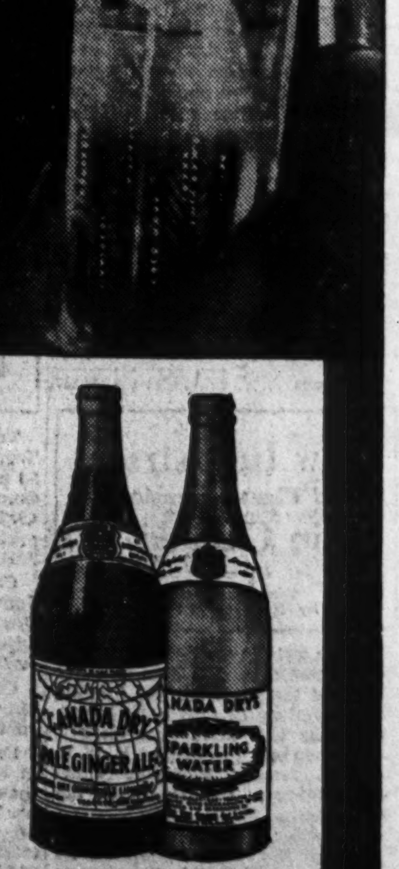

THOUGH opinion may vary on some ingredients of long, tall drinks the first choice for ginger ale is usually Canada Dry.

And, if you like an extra lively "soda" with long-lasting life, try Canada Dry's Sparkling Water, too.

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Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Choice of Trusts

I hold Diversified Trustee Shares, Class C, and have been approached to sell these shares and purchase shares of the United Gold Equities of Canada. What do you think of this proposal?

Diversified Trustee Shares, Series C, are one of the American type of "fixed trusts." Each trustee share represents 1-4000th share in a unit of 300 shares of common stock in 50 large American corporations.

United Gold Equities of Canada is a management trust, which, however, must invest its funds chiefly in the shares of productive gold mining companies, companies connected with the gold mining industry, and younger but supposedly promising gold mining companies.

The choice you must make is this: You now hold an investment in a fixed group of industrial corporations, largely American, whose securities are actively traded. However, this is a fixed trust, which does not materially change its holdings, and on which you can realize by taking your proportionate share of the investment held by the trust, or by selling the trustee shares. But there is no management provision whereby the securities would be changed from time to time as the conditions were deemed to warrant such moves.

In United Gold Equities, on the other hand, you would be going into a company that is banking on the future of the mining industry in Canada. The higher price recently established for gold will undoubtedly serve to maintain high profits for gold mines and associated companies in Canada. The firm is believed to have capable management. The question is, are the American industrial shares likely to recover further, or pay higher dividends, than the gold shares are likely to do under the impetus of the higher price for the metal?

Diversified Trustee shares are quoted at about $3 to $3.25, and United Gold Equities at about $2.60 to $2.65. The choice, of course, must be made by the individual investor, and the ultimate success of each investment depends on indeterminate circumstances.

Windsor Bonds

Are Windsor, Ont., bonds likely to pay interest or part in the near future?

There is a possibility that some interest may be paid on Windsor bonds this year. However, this will not be known until the autumn when tax collection experience is known. It is understood that the city will only be able to pay interest if tax collections exceed the appropriations for the budget substantially.

Eastern Bakeries

Is the rate of dividends on Eastern Bakeries preferred likely to be altered or reduced by reorganization of Maple Leaf Milling Co.? Who are the largest shareholders in Eastern Bakeries?

According to our information there is some possibility of modification of the guarantee of Maple Leaf Milling Co. of preferred dividends of Eastern Bakeries. Just what this modification will be, is not known at present. However, it is understood that the Maple Leaf Milling reorganization plans will be accepted by the bondholders only on the understanding that some modification be made in connection with the preferred shares.

One of the largest shareholders in Eastern Bakeries preferred is understood to be a Toronto investment company, which is watching the interests of preferred shareholders. Maple Leaf Milling Co. owns two thirds of Eastern Bakeries preferred and 51 per cent of common stock.

There is no active market for the shares.

Nat. Research Invts.

Would you kindly give me some idea of the outlook for National Research Investments of Toronto and the earnings for the past year?

National Research Investments was incorporated in 1932 to take over Diversified Investment Trust, and Research Investment Trust on an exchange of shares basis. The preferred shareholders in Diversified Investment Trust received 4½ shares of common stock in the new company for each share held, and holders of Research Investment Trust preferred stock received 1½ shares for each old share. Common shares in both the former trusts received share for share.

A balance sheet of National Research Investment in August 31, 1933, showed investments of $29,600. Liabilities consisted of current accounts payable and accrued rent of $1,021, reserve for depreciation of securities $14,360, and 39,552 shares of capital stock issued out of an authorized amount of 100,000 shares carried in the balance sheet at $15,-072. There was distributable surplus of $1,945. We have no record of any dividend payment by the new trust. The investments are understood to have cost originally about $100,000. An earnings statement is not available.

General Brock Hotel

I hold some bonds of the General Brock Hotel Co., at Niagara Falls, Ont. Could you let me have some information as to the present situation in regard to these bonds?

General Brock Hotel Co. is under the management of the bondholders' trustee. Interest has been in default since October 1, 1932, and present earnings are understood to be sufficient to meet operating charges and taxes, but to leave no hope of bond interest for a considerable time. It has been hoped that the possibility of the sale of beer and wine by the glass in hotels might assist the hotel, but in view of the repeal of the prohibition amendment in the United States, it is doubtful whether the freer sale of alcoholic beverages in Ontario will help the property materially.

There is believed to be a possibility that an offer may be made for the property, which might prove acceptable to bondholders.

Since the burning of the Clifton House, and the conversion of the Clifton property into a park, the General Brock has become the chief hotel in Niagara Falls, Ont. It relies largely on tourist trade for its revenue, however, and in this respect has had considerable competition from private dwellings and tourist camps.

While the situation is not promising, it is understood that the improvement in general business has brought some improvement to the revenues of the hotel. Consequently, the price of the bonds has moved up from about 16 to between 28 and 30. The market for the bonds is understood to be inactive. Future prospects for the hotel, as you will readily understand, depend upon factors that are not readily predictable.

Great West Saddlery

Would you give me your opinion of the future possibilities of "Great West Saddlery bonds?

Great West Saddlery Company showed a deficit of $31,827 in the year ended June 30, 1933, after allowing for depreciation of nearly $37,000. Bond interest was earned 1.14 times before this depreciation allowance but only 0.15 times after depreciation. In the six months ended December 31, 1933, the company showed a profit of $8,515 compared with a loss of $22,219 in the same period of 1932.

Results for the full year ended June 30, 1934, will not be known until some time late in July. Because of uncertain conditions as to the wheat crop in the western provinces, there is no certainty as to what the statement will show. You should remember that the company is dependent in a large measure upon the crop situation in Western Canada.

Huron & Erie

What is the position of shares in Huron & Erie Mortgage Corp.?

Huron and Erie Mortgage Corp. is one of Canada's largest and oldest mortgage lending companies. It was incorporated in 1864, and has been paying dividends ever since 1865. The company has a paid-up capital of $5,000,000, and reserve of $2,000,000, and earned $7.07 on the common stock in 1933. It controls the Canada Trust Co., which earned $10.02 on its stock in 1933, and paid a dividnd of $10.

While the present time has been a peculiarly difficult period for mortgage lending companies, Huron and Erie has had a long and enviable record in the field, and is considered one of the best managed concerns in the business.

International Hydro

I would be glad to have your opinion on International Hydro-Electric System six per cent bonds of 1944. Do you think the company will experience any difficulty in meeting interest charges on their obligations, when it earns $2.25 on "A" stocks?

International Hydro-Electric System earned bond interest 1.43 times before depreciation and 1.22 times after depreciation in the year ended December 31, 1933. These figures compare with 2.30 and 1.98 times respectively in 1932. In 1933, net revenue was $62,228,768 compared with $63,640,767 in 1932. After deduction of operating expenses and maintenance charges, net income was $35,-211,166 compared with $36,114,499 in 1932. After payment of interest, depreciation, amortization, income tax and preferred dividends, net profit was $2,418,455 compared with $2,-827,799 in 1932. Surplus was increased to $1,927,163 for the year from earnings and by $7,625,000 from paid-in surplus.

You can see that the net profits available on the A shares although they amounted to $2.25 a share, do not bulk very large in total. However, the company has been able to earn its bond interest by a substantial margin for depression times, and has continued to charge depreciation and amortization at substantial rates. The interest, in other words, has not been earned by lowering the charges for depreciation as some other companies have been obliged to do. The company is one of the largest groups of hydro-electric properties in the world, serving the New England states and parts of Eastern Canada. In Canada, the company serves a good many newsprint properties but also has large contracts with the Ontario Hydro. In New England, substantial contracts are supplied to several hundred small communities. These services to the public give the company some stability of earnings.

Lake St. John or Argentine

I hold $2,000 Lake St. John Power & Paper 6½ per cent bonds due 1947, and am considering a switch to Republic of Argentine 5½ per cent bonds due 1962. At present prices due to the recent rise in the price of Lake St. John bonds, this seems a fair exchange. I would appreciate your opinion on the above.

Lake St. John Power & Paper Co. is the most successful of the major units in St. Lawrence Corp. Lake St. John earned bond interest .99 times before depreciation, and .36 times after in 1933. Interest on the bonds has not been paid since 1932, and a bondholder's protective committee has been formed. It is hoped that the American newsprint price structure may be revised upward later this year. The company sells most of its products to the Hearst newspapers.

The production and export of newsprint from Canada are on the increase, and Lake St. John is believed to have got some share in this. If this trend continues, respite the loss of exchange premium on sales, it is possible that the company will be able to show interest earned this year. At December 31, 1933, the company had bank loans of $466,000 as compared with $550,000 in 1932 and $1,207,000 in 1931. Working capital between 1931 and 1933 was increased from $334,000 to $458,000. Thus, if the earning position improves, it is possible that interest will be resumed.

Investment in Argentine 5½ per cent bonds will depend for its success upon the general agricultural situation in the South American republic. Exports of wheat and packing products, meat and so on, form the main source of revenue for the citizens of the Argentine. The republic is one of the few South American nations that have paid bond interest when due. There is much more investment confidence in this republic than in any other in South America, but it has had to ration foreign exchange, and the depression of world commodity prices has been an adverse factor to the republic's economy, just as it has been in Western Canada.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Harker Gold Mines

I would be pleased to receive some information on the present status of Harker Gold Mines. Is it active and how is its liquid position?

Harker Gold Mine is inactive. It owns a gold prospect in Harker township, Lightning River district of Ontario, which was developed through a shaft to a depth of 1,000 ft., but failed to disclose commercial ore of importance and was closed down in October, 1929. The present price of gold has added new interest to the property and there have been rumors that further development work might be undertaken. Its chief liquid asset is 250,000 shares of Greene Stabell Mines and accounts receivable totalling $42,900 advanced to Greene Stabell Mines which will doubtless be repaid when this company gets on an established production basis. The company is headed by John E. Hammell, 100 Adelaide Street West Toronto.

Bagamac Rouyn Mines

Will you be so kind as to give me some information on Bagamac Rouyn Mines? I hold considerable stock, which I was stupid enough to purchase at the time when the first good news came out as a flash, and after the report of No. 6 hole. It also seems odd, that Bagamac being in its third year has only managed to sink six holes and do nothing else minewise, whereas other adjoining properties have been fully prospected.

Bagamac-Rouyn Mines is not three years old but eight years old, having been incorporated in 1926. It is principally controlled by R. C. Gamble, Toronto mining promoter. The diamond drilling, so far as we can learn, was almost a complete washout. There is no indication to date that the property has any outstanding merit. Surface exploration work is going on at the present time.

Paymaster Con. Mines

I shall be glad to have information regarding the present status of the old Premier Paymaster Mines stockholders; that is, those who did not participate in the exchange, and what, if anything, the old shares are worth at the present time?

Paymaster Consolidated Mines is presently developing a property in Porcupine preparatory to production in August next. It is a consolidation of the United Mineral Lands Corp., the West Dome Lake Gold Mines and several intervening undeveloped claims. Union Mineral Lands was the result of a merger of Premier Paymaster Mines, a Nevada incorporation controlling the Porcupine Paymaster Mines, Ltd. Premier Paymaster Mines received one share in United Mineral Lands for each one-and-a-half share held. Shareholders in United Mineral Lands, which was an assessment company, came into the present Paymaster Consolidated Mines on various terms according to the extent the shareholders' assessments were paid up. The terms ranged from a share-to-share basis, if additional stock was purchased at five cents a share, to a one-for-fifteen basis. It would be necessary for you to write the head office of the company, 204 McKinnon Building, Toronto, giving the number of your certificate to obtain the status of your stock for transfer into the present company.

Ford Building at Century of Progress

Last year Henry Ford's company was not represented at the Chicago Fair. Instead Ford ran his own Thirty Years of Progress show in Detroit. This year, however, he has joined the Fair and bids fair to steal the show with a striking building and fascinating exhibits of transportation, agriculture and Americana. American papers say the exhibit cost $2,000,000 but they are guessing. Few people know, possibly not even Mr. Ford, who delegated one of his executives to run the show and did not ask him to hand in the bills for O.K.

Mass Buying Enquiry

Unlikely That Chain Store Probe Will be Reached Before Prorogation — Costs of Enquiry Have Been High

From Our Own Correspondent

OTTAWA. — The Mass Buying Committee, facing the close of the session on June 30, is now grappling with the problem of the future of the enquiry and some kind of an interim report to the House of Commons.

The enquiry into large departmental stores has been followed by an investigation into industrial plants in the Montreal district and, if time permits, the chain stores will be subjected to an examination. But it is obvious that the committee cannot begin to cover the field mapped out before the prorogation cannon drops the final curtain on Parliamentary proceedings this year.

Commission to Carry On

It is well understood that Hon. Harry Stevens and the Conservative members of the committee have been considering the question of the future of the enquiry and an interim report for some time and the impression continues that the task of completing the X-Ray of industry and business generally will be turned over to one or more Royal Commissions.

As to the interim report, the only hope of an unanimous finding from the committee rests upon an assumption that the one real recommendation contained in it will be for the completion of the enquiry. The belief, reported last week, grows daily stronger to the effect that the committee will not attempt important reforms in its interim report. This point will be decided in the next few days. But so far Mr. Stevens has not consulted the full membership of the committee.

Party Politics Rule

If an attempt is made to incorporate important recommendations in the report, all chance of unanimity will disappear. The Liberal members will not consent to such a course and will bring in a minority finding. The Liberal position is that the Mass Buying committee has functioned, really, as a prosecuting attorney. Reams of evidence have been adduced, the product of special investigators selected by Mr. Stevens and responsible solely to him. Therefore, it is argued, only one side of the case has been heard and it would be grossly unfair to attempt final conclusions until the interests who have come under examination have had an opportunity to explain their position or reply to attacks made upon them.

It looks as if the committee will have to begin winding up proceedings early next week and it is regarded as very doubtful if the chain stores will be reached.

The Financial Post continues its chronological summary of the evidence:

R. Simpson Co.

Examination of **George Adamson**, of Clarkson, Gordon, Dilworth, Guilfoyle & Nash, in connection with his investigation of The Robert Simpson Co., continued on June 6, 7 and 8. **F. M. Johnston**, committee investigator, also gave evidence.

Highlights of Mr. Adamson's evidence were:

Complete survey of capitalization and financing of the company and subsidiaries. (See special article elsewhere in this issue.)

Survey of merchandising methods, profit margins, etc. (See comparison of Simpson's and Eaton's elsewhere in this issue.)

Over 40 per cent of merchandise sold through Toronto store is by charge account or "Home Lovers" plan.

Advantages of large merchants over small were stated to be: 1, lower quoted price; 2, special discounts; 3, bonus merchandise; 4, special rebates.

Examples of mark-ups on initial cost showed variance from 25 to over 145 per cent for different departments.

Fixed Price Sales

Inclusion of articles ranging in cost price of from $12.62 to $45.64 in a sale at $25 was shown. On the group as a whole there was a considerable gross profit.

Examples of loss leaders in various departments given.

Delivery costs of the three mail-order departments averaged about 6.35 per cent of total sales and were about 17 per cent of total expenses.

Large purchases are made by blanket orders forcing the manufacturer to have a certain quantity of goods on hand for immediate delivery but not committing company to purchase any specified amount.

There were 1,439 persons engaged in the selling departments of the Toronto retail store in the first week of January, 1934, as compared with 1,517 in 1930. Over 51 per cent of female employees were paid at minimum wage rate of $12.50 in 1934, others higher.

Salaries in 1933 amounted to 2 per cent of sales as compared with 2.5 per cent in 1929.

T. Eaton Co.

W. L. Gordon, A. E. Nash and **G. G. Richardson**, all of Clarkson, Gordon, Dilworth, Guilfoyle & Nash, Toronto, gave evidence on June 11, 12, 13, 14 and 15, regarding their investigation into the affairs of The T. Eaton Co.

For statistical analysis of merchandising methods and results in comparison with The Robert Simpson Co., see special article in this issue.

Highlights of the evidence given were:

Eaton organization consists of: 13 large department stores; 5 mail order sections; 32 smaller department stores; 57 groceterias, not including 15 located in other stores; 3 creameries; 40 separate mail-order offices, not including 72 in other stores; 7 factories; 4 warehouses; 9 buying offices; 10 companies not of a merchandising nature.

Sales of $132,500,000 in 1933 made up as follows: Toronto store, 26.2 per cent; Winnipeg store, 13.8; Montreal store, 11.2; other main stores, 11.6; mail order 26.8; chain stores, 10.4.

Number of transactions in Toronto stores, 38,100,000 in 1933; 44,000,000 in 1930.

Peak Sales $225,000,000

Employees in 1933 numbered 25,-736, and payroll including bonuses $24,945,000.

Sales rose from $22,428,000 in 1907 to a peak of $225,053,000 in 1929 and slumped to $132,500,000 in 1933.

Net gross mark-up of Toronto store was 48.2 per cent in 1933.

City delivery cost was 4 per cent.

Purchases of Toronto stores and mail order in 1933 from foreign countries were approximately 13 per cent of total purchases, as follows: U. K., $2,322,626; U. S. A., $852,557; Germany, $236,396; Switzerland, $117,645; Czechoslovakia, $92,050; Italy, $41,035; France, $240,073; China and Japan, $35,920; Austria, $30,050; Belgium, $30,735; smaller amounts from ten other countries. Total foreign purchases $4,021,075.

Loss Leaders

Loss leaders in Toronto sales amounted to $137,803 in 1933 or 0.4 per cent of total sales. Largest percentages were in groceteria, groceries and candies. Witnesses stated company had now discontinued loss leader sales, although they still will sell as low as competitors even if it means a loss.

While sales declined to an index figure of 69 in 1933 on a 1926 base, profits only dropped to 87 on the same base.

Gross profit on Toronto sales was 30.1 in 1933. From this, 6.3 sales expense, other wages 3.3, advertising 3.8, delivery 2.8, various general 9.4, rent, etc., 5.8, making 31.4 charged to departments, a loss of 1.3.

Winnipeg store and mail order are the most profitable units of the company.

From August, 1932, company paid only 80 per cent of factory employees minimum wage, complying with regulations. Prior to that all were paid minimum.

Minimum Wages

Minimum wages for Toronto divisions adopted at Feb. 12, 1934, were:

Toronto stores — Female — $12.50 per week, with the exception of juniors. Male — married — those in contact with public, $18; those not in contact, $16 a week. Unmarried — under 21, $8; over 21, $13.

Watchmen — single, $18; married, $20; men in charge, $22.

Drivers — $18 a week plus bonuses; $16 for helpers.

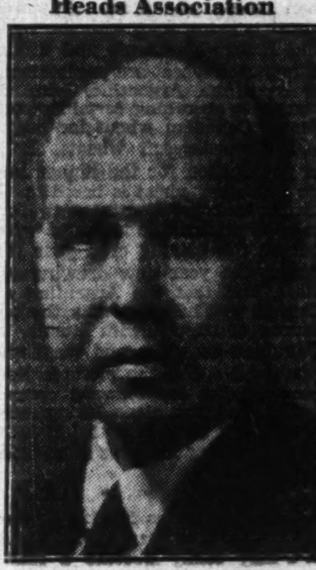
Three general wage reductions have taken place, one in 1931 and two in 1932. Annual savings have been $785,356, $319,436 and $1,010,516 respectively.

Mail order business began declining in 1927.

Eaton factories have operated at a loss for past four years. Output has been cut in half.

Maintained mark-up in Winnipeg store is 12 per cent below Toronto store. Wages in former are lower, however.

Heads Association



JOHN MORSE

General superintendent of Shawinigan Water & Power Co., who was recently elected president of the Canadian Electrical Association at the annual convention held at Lucerne-in-Quebec.

PAPER OUTPUT NEARS RECORD LEVELS OF 1929

Canadian Newsprint Mill Operations Expand With Demand

From Our Own Correspondent

MONTREAL. — Newsprint production by Canadian mills last May totalled 242,539 tons, according to a report released by the News Print Service Bureau. This contrasts with 171,776 tons in May of last year, representing an increase of over 40 per cent and establishing the best monthly level of production since November, 1929.

Since the beginning of the current year newsprint production in Canada has been steadily mounting. Output in January totalled 188,374 tons; February, 174,447 tons; March, 210,129 tons; and April, 216,507 tons. The drop in February was due to the shorter working month.

Near 1929 Level

For the first five months of the current year Canadian newsprint mills turned out 1,031,996 tons, compared with 723,068 tons in the corresponding period of 1933, an increase of 308,928 tons or approximately 44 per cent. How close Canadian mills are at the present time to peak level, established during 1929, is revealed by the fact that the five month output for this year at 1,031,996 tons compares with 1,086,419 tons in the same period of the record year of 1929.

Production of newsprint in American mills last May amounted to 89,726 tons. This compares with 79,-516 tons in May last year.

For the first five months of this year, output of United States mills amounted to 414,981 tons, or approximately 10 per cent above the output for the same five months of 1933.

Calgary Power Company Limited

5% First Mortgage Bonds due June 1, 1964

PRICE: 97.00 and Interest to yield 5.20%

The $12,000,000 First Mortgage Bonds of the Company (including this issue) are a first and specific charge on physical assets valued at over $18,000,000. Over a period of years the Company has shown its bond interest earned by a wide margin after charging depreciation.

Descriptive Circular upon request.

DOMINION SECURITIES CORPORATION LIMITED

TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.

15 King Street West, Toronto

CONTEST GOES ON BY BREWING CORP. TO GET CAN. BUD

Considered Significant That it Takes Up Minority Shares

Guesses galore are being made as to what the next steps will be in the contest for control of Canada Bud Breweries. E. P. Taylor, president of Brewing Corp., has announced that his company is availing itself of the privilege of taking up all the stock deposited with the National Trust Co. under the share for share offer even though 51 per cent of shares was not obtained. He is mum, however, as to the exact holdings of his company and says the shares will not be taken up in the name of his company in every case.

Even though absolute knowledge as to the present situation will be difficult to obtain under such a system, it is evident that Brewing Corp. is standing to its guns. One guess made was that 40 per cent had been obtained. It is certain that Brewing Corp. has obtained a powerful place as a shareholder of Canada Bud in any event and it is therefore probable that it will be a continuing influence.

Future relations of the two companies may depend on what actual profits are made by each in future operations. A number of canny shareholders have evidently decided to let events decide the recent controversy as to which is the better stock to hold. They hope that if Brewing Corp. should win, there may be another offer.

Brewing Corp. may remain satisfied with present holdings, hoping to win enough adherents to any programme it may introduce at an annual meeting to win adherence to a plan of co-ordinated production and sales. Mr. Taylor previously announced that co-operation would be impossible while Canada Bud remained under present auspices. This was taken by many to indicate there may be strenuous price and sales competition. Canada Bud president, Duncan MacLaren, says best chances rest in independent operation. He states that dividend action is possible in 1934. One thing is clear, the incident is not yet ended.

INVESTMENT FUND ASSETS $1,150,000

Total assets of Canadian Investment Fund on April 30, 1934, were approximately $1,150,000 and surplus on that date amounted to over $750,-000, The Financial Post is informed. These figures do not include a substantial appreciation in investments, it is understood.

Special shares of Canadian Investment Fund are redeemable at liquidation value if there is a surplus available for such purpose. The figures given above indicate that the surplus available for special shares amounts to nearly two-thirds of the par value of the shares, which is $1 each.

To date no shares have been presented for redemption, it is understood. The paid-in price of the shares is more than three times the par value, it is stated.

Canadian Investment Fund was formed late in 1932, and has an authorized capitalization of 5,000,000 special shares of $1 each, and 1,000 ordinary shares of $1 each.

Investors in General Brock Expected to Get Offer Soon

Meetings of holders of securities in General Brock Hotel Co., Niagara Falls, are expected to be called soon to consider proposals for a change in control of the property, The Financial Post is informed. Details are to be announced within a few days, it is understood. Control of the hotel will remain in Canada, if any deal is made for the property, it is stated in informed quarters.

It is believed that the meetings will be asked to consider some proposal to purchase the hotel. Advantages over their present position are expected to be offered to both bondholders and stockholders in the company. Neither are receiving any income from their investments at present.

There have been previous suggestions that offers were to be made for the property. The newly anticipated proposals, however, are believed to be based on the first definite offer that is likely to be satisfactory to investors.

General Brock Hotel Co. had $922,000 of six per cent first mortgage bonds outstanding early this year. Interest on these has been in default since Oct. 1, 1932. Prospects for resumption of even part of interest have not been considered favorable. The property has been under the management of the trustee for the bonds, Montreal Trust Co. In the past nine months, bonds have advanced in price from about 17 to approximately 30 at present.

In addition, there are 30,000 shares of common stock outstanding. Any deal for the property will have to offer some inducement to the shareholders, as well as to bondholders, it is understood. One reason for this is that 10,000 of these shares are understood to have been bought for cash within the last two years. Thus the common stock, as well as the bonds, represents investment of real money.

THE ONTARIO LOAN AND DEBENTURE CO

LONDON, CANADA
63 Years in Business

Capital $2,000,000—Reserve Fund $2,200,000

Make Mortgage Loans on Owners' Homes at reasonable rates of interest.

ARCHIBALD McPHERSON, President
T. H. MAIN, Manager

4½% INVESTMENT DEBENTURES

Available in amounts of $100 and upwards. Canada Permanent debentures have long proved a sound and paying investment.

FOUNDED 1855

CANADA PERMANENT Mortgage Corporation

320 Bay Street, Toronto

Assets exceed $70,000,000

Southern Canada Power Returns Greater for May

From Our Own Correspondent

MONTREAL. — Southern Canada Power Co. reports a substantial improvement in its earning power for May. Gross income totalled $179,-978, a gain of $12,699 over the same month last year. Operating expenses increased by only $3,662, leaving a net income of $115,304, compared with $106,267 in May, 1933.

Cumulative returns for the eight months ended May, 1934, show Southern Canada Power's gross income at $1,469,207, expenses at $521,-025, and net income $948,002. Over a corresponding period of the previous year, gross revenues amounted to $1,428,687 and net income $927,434.

Canadian Bronze's Business Improving

From Our Own Correspondent

MONTREAL. — Business of Canadian Bronze Co. during the first five months of the company's current fiscal year is reported to have been substantially improved and operations, especially in the Western plants, on a larger scale than a year ago.

With the exception of one order obtained from the Eastern Car Co., equipment buying by the railways has failed to develop, but the pickup in railway operations has brought a greater volume of regular business to the company than has been forthcoming for some time, it is stated.

The 70-year-old Huron & Erie Mortgage Corporation

Savings Deposits 3% and 3½%

Huron & Erie Debentures 4¾% $100 and over, 1 to 5 years.

CANADA TRUST COMPANY

Guaranteed Passbook Certificates 4% on $500 and over. Withdrawable on 10 days' notice.

Guaranteed Trust Certificates 4¾% $100 and over, 1 to 5 years.

London Toronto
Hamilton Windsor
St. Thomas Chatham
Winnipeg Regina
Vancouver Victoria

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

WANTED

GENTLEMAN WITH 5,000 TO 10,000 for new modern, non-competitive item of merit. Sales connections already formed. Orders beyond investment waiting. Exceptional opportunity. Address in confidence Box 6, The Financial Post, Toronto.

WANTED

Used Wide Carriage Typewriter in First-Class condition. Must be 18" or larger. Give make and serial number to Box 304, The Financial Post, Toronto.

Business Wanted

FIRM WITH LONG AND SUCCESSFUL manufacturing and selling experience is in a position to add a new line capable of national and export development. Will invest in or buy outright; preferably in old established business of high repute where owners are thinking of retiring. Address in confidence. Box 222, The Financial Post.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 30th June, 1934, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the 3rd day of July, 1934, to shareholders of record of the 20th June, 1934.

By Order of the Board.

DUDLEY DAWSON,
General Manager.

Toronto, 17th May, 1934.

The Montreal City & District Savings Bank

Dividend Notice

A dividend of three dollars per share, for the current quarter, together with a bonus of one dollar per share of the paid-up Capital Stock of this Bank, have been declared and the same will be payable on and after Tuesday, the Third day of July next, to shareholders of record Friday, the fifteenth day of June next, at three o'clock P.M.

By order of the Board,

T. TAGGART SMYTH,
General Manager.

Montreal, May 28th, 1934.

Imperial Bank of Canada

DIVIDEND NO. 176

Notice is hereby given that a dividend of two and one-half per cent (2½%), being at the rate of ten per cent (10%) per annum, upon the paid up Capital Stock of this Bank, has been declared for the three months ending July 31st, 1934, payable at the Head Office and Branches on and after Wednesday, the First day of August next, to shareholders of record of June 30th, 1934.

By order of the Board.

A. E. PHIPPS,
General Manager.

Toronto, June 13th, 1934.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Preferred Dividend No. 26

Notice is hereby given that a Dividend of $1.50 per share, being at the rate of 6 per cent per annum, has been declared on the 6 per cent Cumulative Preferred Stock of McColl-Frontenac Oil Company, Limited, for the Quarter ending June 30, 1934, payable July 14, 1934, to Shareholders of record at the close of business on June 30, 1934.

By Order of the Board,

FRED HUNT,
Secretary.

June 7, 1934.

The Whittall Can Company, Limited

Dividend Notice

Notice is hereby given that a Dividend of one and five-eighths per cent (1⅝%), being at the rate of six and one-half per cent (6½%) per annum, on the Cumulative (Redeemable) Preferred Stock of the Company, has been declared, payable July 3rd, 1934, to shareholders of record June 15th, 1934.

By order of the Board.

D. H. MACFARLANE,
Secretary-Treasurer.

Montreal, June 13th, 1934.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a Dividend of Three per cent, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after
2nd July, 1934,
to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,

WALTER GILLESPIE,
Manager.

The TORONTO GENERAL TRUSTS CORPORATION

DIVIDEND NO. 152

Notice is hereby given that a dividend of one and one-half per cent. (1½%) has been declared upon the paid-up capital stock of this Corporation for the quarter ending June 30th, 1934, payable on and after Tuesday, the Third day of July, 1934, to shareholders of record at the close of business on June 16th, 1934.

By order of the Board of Directors.

W. G. WATSON,
General Manager.

Toronto, June 12th, 1934.

DIVIDEND NOTICES

The Consolidated Mining and Smelting Company of Canada, Limited

DIVIDEND No. 58

Notice is hereby given that a Dividend of Four Per Cent (4%) on the paid-up Capital Stock of the Company for the six months ending June 30th, 1934, has this day been declared, payable on the 16th day of July, 1934, to shareholders of record at the close of business on the 30th day of June, 1934.

By order of the Board.

J. E. RILEY,
Secretary.

Montreal, June 19, 1934.

Barcelona Traction, Light & Power Company, Ltd.

(Incorporated under the Laws of Canada with limited liability)

NOTICE OF PAYMENT OF DIVIDEND ON THE ORDINARY SHARES OF NO PAR VALUE

NOTICE IS HEREBY GIVEN that the Board of Directors have declared a dividend of fifty cents ($0.50 Canadian currency) per share on the Ordinary Shares of no par value of the Company, payable on the 30th June, 1934, to all shareholders of record at the close of business on the 23rd June, 1934.

The payment of the said dividend to non-residents of Canada will be subject to deduction of the Canadian Income Tax of 5%.

DATED at Toronto, Canada, 19th June, 1934.

R. H. MERRY,
Secretary.

NOTE:
The Transfer Agents of the Company are National Trust Company, Limited, Toronto, Canada.
The London Agents of the Company are Canadian & General Finance Company, Limited, 3 London Wall Buildings, E.C.2.

Silverwood's Dairies Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of one per centum (1%) being at the rate of 4% per annum, has been declared on the Preference Shares of the Company, payable July 3rd, 1934, to shareholders of record at the close of business, June 18th, 1934.

By order of the Board.

J. H. GILLIES,
Secretary.

THRIFT STORES, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared by Thrift Stores Limited:
One and Five-eighths per cent (1⅝%) on the 6½% FIRST CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES, and
One and Three-quarters per cent (1¾%) on the SECOND CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES.
The above Dividends are for the quarter ending June 30th, 1934, payable July 2nd, 1934, to shareholders of record June 20th, 1934.
Ten cents per share on the COMMON SHARES OF NO PAR VALUE, payable July 2nd, 1934, to shareholders of record June 20th, 1934.
By order of the Board of Directors.
THOS. F. MUNDY, Sec-Treas.
Montreal, June 15th, 1934.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable July 3rd, 1934, to Shareholders of record as at close of business June 15th, 1934.

W. S. BARBER,
Secretary-Treasurer.

The Petrol Oil & Gas Co. LIMITED

(No Personal Liability)

DIVIDEND NO. 13

An interim dividend of 3c per share has been declared upon the shares of the Company, payable July 3rd, 1934, to shareholders of record at the close of business, June 23rd, 1934.

By Order of the Board.

H. G. DEACON,
Secretary.

Toronto, June 19, 1934.

N.B.—This dividend is payable to the holders of the new stock issue of December last. Those not having converted their stock will require to do so if they wish to participate in this dividend.

72nd Quarterly Dividend

Notice is hereby given that a dividend of Thirty-eight Cents per share (being at the rate of One Dollar and Fifty Cents per annum) on the no-par-value Common Shares of the Company presently issued and paid-up for Quarter ending June 30th, 1934, has this day been declared to shareholders of record, June 30th, 1934, on the Montreal and London, England, registers.

Dividend cheques will be mailed to registered shareholders July 31st, 1934.

By Order of the Board,

G. R. WHATLEY,
Secretary.

Montreal, June 18th, 1934.

Montreal Light Heat & Power
CONSOLIDATED

Owned by 60,000 shareholders, Montreal Light Heat & Power comprises the largest group of customer-owners possessed by any public utility company in Canada

Wheat

From Our Grain Correspondent

Market Quiet

WINNIPEG.—Wheat price fluctuations during the past week have been comparatively narrow and of no great significance. Some of the public speculative interest brought into the market during the last few days of May when weather conditions were extremely poor has tended to dsappear with the gradually improving crop prospect during June. But that has been balanced to some extent by a gradual lessening of Canadian wheat stocks as weekly disappearances exceed new supplies coming on to the market from farmers.

The Canadian market has received accessions of strength from the United States, where traders impressed by the great damage done to the crop of that country through drought have developed a belief in higher prices, and are inclined to consider Canadian levels low when compared with their own. It appears also to have been sustained by guarded selling on behalf of the Canadian government agency, limited to quantities the market would absorb at present levels.

* * *

U. K. Buys From Argentine

CANADIAN wheat continues to be held at levels much higher than those at which Argentine wheat is being sold, with the result that British purchases and milling of imported wheat are predominantly from the Argentine, with the Continent absorbing certain quantities of Canadian wheat for mixing with domestic soft wheats. Belief in justification for the higher level for Canadian wheat is based on the theory that the Continent is likely to need much more imported wheat during the coming crop year than during the year now drawing to a close, and that the Argentine and Canada will be practically the only source of supply with Russia, the Danubian countries and the United States all out of the picture. European buying for forward commitments has taken place during recent weeks, but it is doubtful if it has been as strong lately as some weeks ago.

* * *

Grasshoppers as Market Factor

REPORTS of grasshopper damage may easily become a market factor of importance within the near future. The activities of these insects have been largely suspended during the cool and rainy weather which has prevailed during June, perhaps unduly lulling some fears as to their depredations. As soon as hot weather stirs them to renewed activity the damage they do is likely to be widely commented upon.

* * *

Small European Crops

ALL reports agree that the total European wheat crop is going to be much smaller than last year. Practically 100,000,000 bushels of the drop is calculated to take place in Danubian countries, but the net effect on European demand may perhaps be no more than the 50,000,000 bushels which those countries would otherwise have had available for export to other European countries. France's crop is to be much smaller, but the heavy carryover there may enable France to remain independent of imports.

While the effect of the drought which has impaired prospects all over the world is reported with respect to wheat, it is not known whether corresponding damage has been done to rye and potato crops, the size of which is very important as determining the effective demand for imported foodstuffs.

* * *

Lake Freights Dull

MOVEMENT of wheat down the lakes continues at a restricted rate, as exporters are cautious about accumulating supplies in Eastern positions, but so far lake rates have remained firm, and have not taken the drop which in some quarters was anticipated. Vancouver continues to be handicapped by the unwillingness of exporters to buy except from hand to mouth, and to put supplies afloat which will take a long time to reach destination, and as a result Vancouver prices remain substantially below Winnipeg.

* * *

Selling Rumors Discounted

REPORTS from outside that the government agency has almost disposed of its wheat are discounted in Winnipeg, and it is believed that the agency in question still controls a large part of available supplies. It is believed that a considerable transfer of futures holdings has taken place from July to October, and the prevailing spread between the two months suggests that this has been done economically, with a narrow margin available for the elevator companies carrying the wheat.

Digest of Parliament

OTTAWA.—June 11, Commons: Revised Bank act, amendments to the Excise act and Soldiers Settlement act given third reading. Farmers' Creditors Agreement act and Canadian Farm Loan act amendment given second reading and considered in committee.

June 12, Commons: Budget tariff resolutions approved and reported from committee. Legislation based on them introduced and given first reading. First reading given to amendments to the Income Tax act and the Special War Tax act. Bill providing funds to meet the Canadian National railway expenditures in the current year and indebtedness falling due given third reading. Canada Shipping act further considered in committee.

Senate: Marketing bill and amendments to Soldier Settlement act given first reading. Senator E. Michener launches debate on possibilities of relieving unemployment by productive works.

June 13, Commons: Proposed Dominion Franchise bill approved in resolution forms. Canada Shipping act rapidly advanced in committee.

Senate: First reading given to Quebec Saving bank charter renewal bill and to revised Bank act, also to Canadian National Railways budget bill and Excise act amendments. Marketing act debated on second reading. Bureau of Translation bill passed.

June 14, Commons: Canada Shipping act further considered in committee.

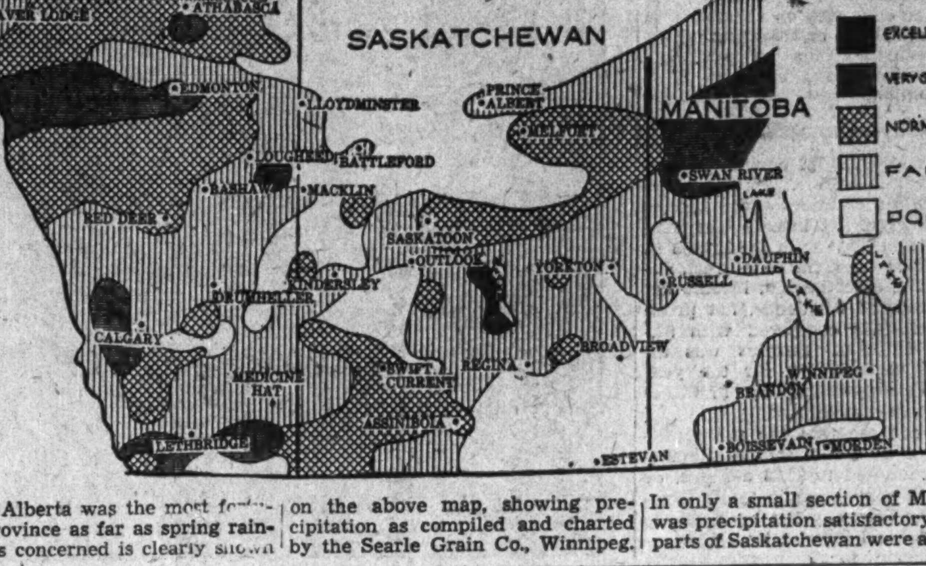
Banking and Commerce committee considered final reports and defeats motion to renew inquiries next session.

Senate: Third reading given to Revised Companies act, Soldiers Settlement bill, and Canadian National Railways budget bill. Excise act amendments given second reading. Revised Bank act approved on second reading and referred to committee. Marketing Bill passed on second reading and dealt with by committee-of-whole. Amendment approved exempting wheat from provisions of statute.

Public accounts committee: Evidence taken from E. G. Blackadar, superintendent of Annuities branch of Labor department.

June 15, Commons: Franchise bill given first reading. Third reading given to amendments to Special War Revenue act. Customs Tariff act, Meat and Canned Foods act and Royal Canadian Mounted Police act. Income Tax act amendment given second reading and considered in committee. Amendment to Canadian Grain act passed.

Many Areas Need Further Rainfall



That Alberta was the most fortunate province as far as spring rainfall was concerned is clearly shown on the above map, showing precipitation as compiled and charted by the Searle Grain Co., Winnipeg. In only a small section of Manitoba was precipitation satisfactory. Many parts of Saskatchewan were also dry.

Grain and Milling in Canada

FRENCH INCREASE IN WHEAT TARIFF IS DISAPPOINTING

Canadian Trade Hopes for Later Revision of Treaty

From Our Own Correspondent

WINNIPEG.—News that France has doubled the duty on Canadian wheat by making applicable to this country the general, instead of the minimum tariff on wheat has been very disappointing to grain trade circles.

France has been importing practically no wheat except from her African colonial possessions, and has at the moment a large surplus of domestic wheat which she will not know what to do with if this year's crop is normal. Besides she has been excluding Canadian wheat not so much by tariffs as by milling restrictions, which of late have required the use of 100 per cent of French wheat in the manufacture of flour. Nevertheless there had been hopes that France might soon return to an importing basis.

French Wheat Soft

French wheat is good, but it is soft, and to make the kind of bread for which France was formerly famous, an admixture of imported hard wheat up to twenty per cent or more, in the manufacture of flour was required. France's requirements for such wheat were formerly met largely from Russia, and also from the United States, from which she obtained hard red winter wheat, and to a considerable extent from Canada, while Hungary was also drawn upon to some extent.

There has been hope that France, with the failure of her wheat policy becoming increasingly apparent, might again become willing to allow the import of sufficient hard wheat to add quality to her bread, and with other countries at least temporarily out of the picture as suppliers of such wheat, the benefit of the change would accrue to Canada.

Wheat Policy Failed

France's wheat policy has failed to give satisfactory results because high duties, and the attempt to guarantee high prices to farmers have stimulated the production of soft wheat to a point beyond the capacity of domestic markets to absorb it. At the same time consumption of wheat has been cut down by high prices charged for bread and a lowering of quality due to the exclusion of hard wheat.

France has attempted to get rid of the surplus of soft wheat by subsidizing exports, but although a small quantity has thus been forced on to the British market the cost to the treasury is very great, so high that it would be quite impracticable thus to dispose of the whole surplus, even if there were markets which could absorb it. It has become apparent that the French treasury, the French farmer and the French consumer will all be better off when the production of wheat in France is limited to the quantity of soft wheat that can be absorbed by the local market, and when sufficient imports of hard wheat are required both to ensure the highest quality of flour offered for consumption, and to ensure the highest degree of consumption.

Hope For Future

Such being the case the hope is expressed that the raising of the French duty against Canadian wheat may be merely a temporary aspect of readjustment of French commercial relations, and that negotiations may clear the way for renewed imports of Canadian wheat into France.

Favorable June Weather Boosts Yield Prospects

But More Cool, Wet Weather Needed — Alberta Fields in Best Shape — Early Maturity Feared for Some Crop Areas

From Our Own Correspondent

WINNIPEG.—June weather has, on the whole, been highly favorable to date to the production of western crops, but continuation of wet and cool weather for some time yet is requisite to secure the maximum of existing possibilities.

Most of Alberta may be regarded as being in good shape, with larger reserves of moisture than exist elsewhere, and comparatively small damage by grasshoppers up to the present time, but with possibilities of considerable damage should the weather turn hot and dry.

In Saskatchewan there are some fairly large areas with excellent conditions, and some considerable moisture reserves, other areas where the crop can only hold its own if it continues to receive generous supplies of rain, and other districts where only a small yield can be expected even with the best of weather.

Grasshoppers Still Threaten

The grasshoppers are an incalculable factor, sure to do a great deal of damage yet in addition to what they have already done, but that damage will be much smaller if cool and wet weather continues to hold their growth and feeding in check than if a shift to hot dry days brings them to full activity before the grain has made substantial additional growth.

In the south eastern part of Manitoba there is a district in which there is practically no expectation of harvesting a grain crop for sale, and hopes of farmers are limited to the production of reasonable quantities of seed.

Possible Crop Yield

There is a wide range of opinion as to the total possibilities of the western crop. One school of observers continues to pay close attention to the figures for total precipitation to date this year, and notes that in many places the June rains, however, copious, have not yet overcome the deficiency of April and May rains to bring total precipitation to date up to average. The other is content so long as the rain appears to be have been enough to take care of the needs of the crop to date, and to hope that continued rains will make up for the earlier lack.

Each to a large extent is influenced by the expectation of future weather conditions. The latter school is inclined to assume that because following a very dry May heavy rains have been received in June, some of them heavier than experienced for many years, an important shift from a dry cycle into the beginning of a wet one has been made. The former is inclined to stress the fact that except for the past three weeks the west is still in the dry cycle.

Short Straw Feared

Some of the earlier sown crops, it is now apparent, was forced along towards maturity to a greater extent than was first realized by the hot weather in May, and is likely to head out on very short straw with inevitably short yields. True, the districts in which this is most apparent are those for which the smallest hopes have been entertained from the beginning, and where the greatest possibility of damage from grasshoppers exists.

On the whole there are excellent grounds for hoping that the west will produce a good deal more wheat and a great deal more feed than last year. It is certainly in far better shape than seemed justified by reasonable hopes at the end of May. Estimates at this time of year have no validity when weather yet to come may affect the possible yield by a hundred million bushels of wheat or more, but perhaps the majority of observers hope to see the wheat yield reach 300,000,000 bushels, while anyone guessing over 350,000,000 bushels would be regarded as optimistic, although such guesses are occasionally ventured. By the end of another week a different set of figures will doubtless be required to express the range of hopes and expectations.

Many Other Dangers

No one has started yet to worry about rust, for weather has been so dry and the crop so early during recent years as to put that danger largely out of mind. Some hail has already been experienced, but distressing as hail damage is in individual cases, it usually means rain is falling extensively in areas not hurt by hail. Frost is another danger to be feared in the season, also one largely escaped in recent years of early maturing crops.

DROP IN SURPLUS CANADA'S WHEAT WILL BE SMALL

Expect World Excess to be Eliminated, However

From Our Own Correspondent

WINNIPEG.—It now appears likely that Canada will fall somewhat short of exporting 200,000,000 bushels during the current crop year, and that the reduction in the Canadian carry-over will be somewhat smaller than had been earlier hoped for. Western deliveries of wheat to country elevators are continuing at a fairly heavy rate, considering the fact that nearly 210,000,000 bushels have already been delivered or almost 10,000,000 bushels more than it was earlier calculated would be available for delivery up to the end of July. This would appear to indicate some under-estimate of last year's small crop, and also that farmers, because of higher prices now prevailing are drawing largely on farm reserves which were somewhat higher than previously supposed. But the net excess is hardly as great as the figures appear to indicate, because some of the wheat delivered was reabsorbed in the country as seed in districts where such supplies had to be shipped in.

World Surplus Position

The world carry-over of wheat at the end of July was calculated by the International Institute of Agriculture as likely to be about one thousand million bushels or about the same as last year, the excess over normal being about four hundred million bushels. It is a reasonable expectation that most of the excess will disappear during the coming crop year, but actual deficiency of supplies would only become possible with another year of short world production.

United Fruit Companies Declare 5% Dividend

From Our Own Correspondent

MONTREAL.—Reflecting generally improved conditions over last year the United Fruit Companies, Canada's largest apple co-operative organization, has declared a 5 per cent dividend on paid-up stock. No dividend was paid last year.

The upswing in the co-operative's earning power has been due to the British preference, favorable exchange rates and careful management. The company combined 51 co-operatives which last year shipped 650,000 barrels of apples overseas and used 50,000 barrels in the company's own by-products plant.

According to W. O. Bishop, general manager, this season's crop prospects are satisfactory. It is estimated that the apple crop will be 1,500,000 barrels.

New Refinery Completed By Alco Products Co.

Alco Products Co., subsidiary of American Locomotive Co., has just announced completion of new oil refining plant of 4,000 barrels daily capacity at Shreveport, La., for the Atlas Pipe Line Co. Alco Products acts as agent for Chemical Research Corp. in selling refineries using the Gyro process of cracking gasoline to a higher octane content.

Following test runs, Atlas Pipe Line Co. takes delivery of the refinery on June 22. Gyro Process Co., of which Chemical Research Corp. is major stockholder, will receive royalties on production of new refinery.

Grasshopper Damage Likely In Many Prairie Sections

Stressing the complete change in weather conditions which has taken place throughout the Prairies since the beginning of June, the weekly crop report of the Dominion Bureau of Statistics dated June 19 also draws attention to the threat of grasshoppers as soon as warm weather again prevails. Prospects are stated to be fair to good in Manitoba and Saskatchewan, except in southern districts, good to excellent throughout Alberta.

Public Utility Earnings

B. C. Power Corp.

May:	1934 $	1933 $	Inc. $
Gross	1,025,670	992,218	33,452
Oper. exp.	690,128	694,286	*4,158
Net	335,542	297,932	37,610
Eleven Months:			
Gross	11,601,195	11,792,575	*191,380
Expense	7,739,068	8,060,231	*321,163
Net	3,862,127	3,732,344	129,783

*Decrease.

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St. Lawrence Flour
Four brands of equal purity
REGAL — FLEUR DE LIS
PREMIER — DAILY BREAD
D. A. CAMPBELL, *President.*
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510 PRODUCE EXCHANGE, NEW YORK
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

Winnipeg Grain Prices

Week to June 19, 1934

Crop year from Aug. 1, 1933 High	Low		Open June 13	High for week	Low for week	Close June 19
		Wheat				
.85½	.62¼	July	.79⅛	.79¼	.75⅜	.77⅝
.87⅛	.68¾	Oct.	.81¼	.81¼	.77¾	.79¼
.83	.78½	Dec.	.81⅞	.82⅛	.78½	.80⅝
		Oats				
.40¼	.30⅞	July	.39¼	.40	.37⅝	.39⅜
.41¼	.32½	Oct.	.39⅛	.39¼	.37¼	.38½
.38½	.35⅝	Dec.	.38⅛	.38½	.35⅝	.37⅜
		Barley				
.46½	.35	July	.44⅝	.45⅜	.42¾	.44⅞
.48¾	.37⅛	Oct.	.46	.46⅜	.44⅜	.45
.47	.45¼	Dec.	..	.47	.45¾	.46⅝
		Flax				
1.74	1.39½	July	1.62½	1.63½	1.59½	1.63¼
1.75	1.40	Oct.	1.65½	1.67½	1.60¾	1.63¾
1.65	1.60	Dec.	..	1.64¼	1.60	1.63⅜
		Rye				
.57⅛	.41¾	July	.56¼	.56¼	.52⅞	.55⅜
.59⅜	.43½	Oct.	.58¼	.58½	.55¼	.58
.59¼	.56½	Dec.	.58	.59¼	.56½	.59

Key Facts About Wheat

	Week bu.	Previous Week bu.	Same Week Year Ago bu.
Canadian Wheat in Store:			
Fort William, June 15	61,572,407	67,441,806	48,306,173
Country elevators, June 8	83,357,464	83,097,425	89,587,560
Total, all points, June 8	200,006,058	200,336,042	193,060,217
World Shipments, incl. flour:			
North American, June 11	3,155,000	3,256,000	4,976,000
Argentine, June 11	5,261,000	2,409,000	3,200,000
Black Sea*, June 11	......	......	......
Australian, June 11	1,320,000	1,410,000	1,344,000
Total, World, June 11	10,528,000	7,779,000	9,680,000
Country Marketings and Exports:†			
Canadian exports, June 8	2,309,768	2,721,934	4,655,415
Cum. to June (45 weeks)	133,537,207	131,227,440	202,489,451
Prairie marketings, June 1	3,426,654	1,818,476	5,274,680
Cum. to June (44 weeks)	205,038,900	201,612,246	341,890,360
Country deliveries, June 15‡	2,568,000	2,586,000	4,797,000
Country loadings, June 15‡	3,671,720	3,365,245	9,998,336

*Includes Soviet Russia. †Excluding flour. ‡Sanford Evans Weekly Report.

THE CANADIAN CONSOLIDATED GRAIN COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants—Shippers and Handlers of All Grains
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—Fair and Efficient dealing is the "A.P." Standard of Service.
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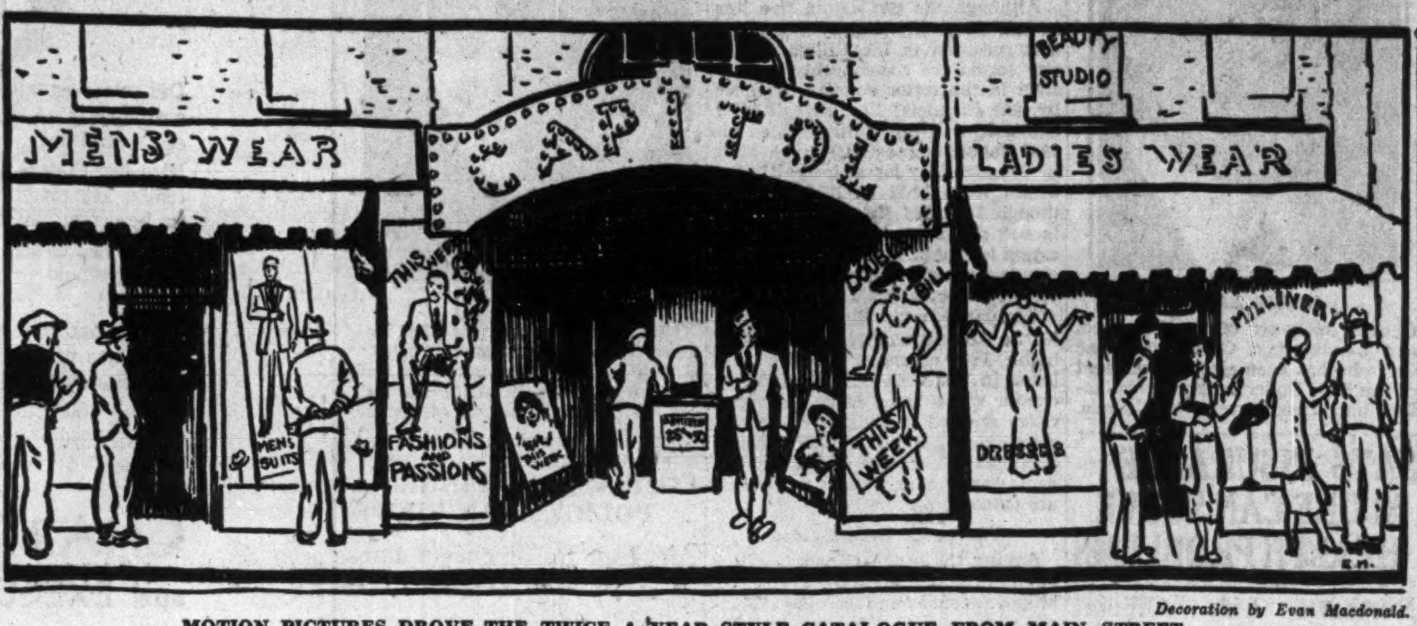
"So This Is Main Street": 2. Peterborough Today

In Which Another Medium-Sized Canadian City Is Examined to See What Forces of Change in Merchandising Have Done to Its Social Life



Decoration by Evan Macdonald.

MOTION PICTURES DROVE THE TWICE A YEAR STYLE CATALOGUE FROM MAIN STREET

By OAKLEIGH DALGLEISH

"The chain stores are ruining us. Travellers don't even come near the place for a meal any more. All they want of the hotelkeeper is free information and rest room accommodation."

This hotelkeeper's lament was delivered in Port Perry. But the same night a second hotel in Peterborough turned me away because both were "full up" with commercial travellers.

I reflected on the highways over which I had travelled in a crowded but comfortable bus. It seemed reasonable to ask why should travellers spend a night in a town of 1,000 people and a single hotel when two hours invigorating motoring would carry them to a city of 22,000 and to bigger business?

Twenty Years of Main Street

My reflections went deeper the next day when I visited stores on George Street, Peterborough's main thoroughfare. There have been 20 chain stores, local and otherwise, crowded into George Street in the last 20 years, all practising the universal policy of small stocks and quick turnovers. This policy was made possible, I realized, by those huge ten-ton trucks we had passed on the highway. I recalled the two massive trailers that had sped through Port Perry during my visit with the hotelkeeper.

I wondered if the hotelkeeper had not been scrapped as the horse and buggy had been scrapped in this evolution which I was trying to follow now through two decades of change in Peterborough.

"Peterborough," a fellow traveller and expatriate told me, "is about the best town in Ontario. Why? Because it has more than three dozen (61 by actual count) diversified industries."

Sells to Dominion

Peterborough started as a lumbering town. Then when the trees were gone, farms came and Peterborough existed by supplying merchandise and service to the farming community.

But eventually Peterborough entered on a third phase of its life. With the development of power on the Trent Valley canal it became an industrial centre.

Today more than two thirds of this town's population is employed in producing for nation-wide markets. Peterborough is dependent on the rest of us. It is not large as factory towns go, but it did not outstrip itself and grow enormously and unnecessarily in the heyday of prosperity as some towns did. In 1914 the population was 18,312 and has increased by 4,012 in the span of 20 years.

Turning back 20 years in the life of Peterborough we arrive at stirring times. The town had more than doubled its population in the previous ten years and the entire growth had been concentrated around industry, which has added a factory a year to its population right down to this day. The mortality rate is low.

Some Familiar Names

Getting a living, building a home, raising a family, using leisure, here as anywhere else has been the paramount task and Peterborough has called on every synthetic aid to assist in the work.

George Street is rather deceptive in giving out the story of 20 years of change. For instance the Robert Fair department store, the oldest in town, passed years ago to R. J. Goring, of St. Thomas, though it still carries the founder's name. The late Richard Hall's store is really owned by Gordon McKay, of Toronto. Schneider Bros., the jewellers, a town name for more than 40 years, is under new ownership although really in the same family. John Nugent, the old chemist, has gone but his name still exists.

That ghost of prosperity at the corner of George and Simcoe streets, towering three stories—as three-story buildings can tower in a small city—and grinning out through acres of vacant windows, is a monument to the Turnbull Department store. It was acquired years ago by The T. Eaton Co., who were later to purchase the Canadian Department Store chain, which operated the old Turnbull competitor, Cressman's Ltd. After competing with themselves for a short time, Eaton's amalgamated the two businesses under the C. D. S. name and built a new store, vacating the finest business premises on George Street.

Novelty Stores Come

Woolworth's, established some years prior to the war, have doubled their premises and are flanked on either side by competitors from the city, Metropolitan Stores and Kresge's.

The department stores, taking the lead from the invading merchants, have deserted those homely old steel racks and fixtures that crowded you out of the ready-to-wear department. Glass-enclosed wardrobes line each wall, the ultra-modish garments, frequently known as travellers' samples, adorn the alabaster mannequins, peering coyly from discrete angles of a well-mirrored, sunlit room. Yard goods and accessories, carefully stocked in glum and not always harmonious bales in the pre-war era, are flaunted today on floor tables, from special fixtures or scattered in careless abandon about the counters.

But let's go down the street to the grocer. Twenty years ago Mason's grocery, standing just where it does now, and where it did 36 years before that, was the acme of good foods and good merchandising. It was in this very store that the Hon. H. H. Stevens served his apprenticeship as a schoolboy.

Old Equipment Goes

Mason's was among the first in town to install the improved refrigeration plant of the day .... a high, dark oak fixture with heavily glassed doors that invariably stood at the back of the store. In it were kept the perishable delicacies and in really warm weather, the butter, which otherwise was kept during summer, in large wooden tubs of cold water well away from the public eye.

At the front of the store and perhaps, if the merchant were more enterprising than his contemporaries, half way down one side, were the new glass show cases. And to complete this fetish for glass appliances, listed in the manufacturer's catalogue as "silent salesmen", were the famous Walker bins. You will remember the Walker bins as a row of small rectangular glass frames that ran the length of the shelving and along the bevelled front of the counters. They were used to exhibit dried fruits, coffee, tea, tapioca and similar bulk merchandise.

The Walker bins have disappeared. To the success of machine packing, the discovery of Cellophane, the quality of tinned products and the insatiable curiosity of mankind must go the credit for the progress of the "serve yourself" policy.

Local Stores Expand

The Mason store today can be taken as a symbol of 20 years change in Peterborough's retail life. It is, quite frankly, one of a hundred similar cash and carry stores in Ontario, and it is the parent of seven similar Mason stores scattered throughout the city. The Mason stores have copied the chain store's methods, but have retained a community intimacy between owner and customer. Mason's, for instance, still buy butter and eggs direct from the farmers. E. F. Mason was but one of three local merchants to develop the chain expansion. Fitzpatrick & Geraghty, and J. C. Boyle's Haboco stores straggle through the country. Many of the merchants, who could not match this local expansion, have joined the voluntary units such as the Red & White, Superior Stores, etc.

The susceptibility of the townspeople to chain store shopping, illustrated by the fact that six people visited a chain during specified hours of the morning and afternoon for every one that entered an independent, was alarming until the Chamber of Commerce assured me that 60 per cent of the businesses independently owned in 1914 are so owned and operated today. Accepting the local valuation on a number of those independents I visited as many as possible. With the exception of three, two grocers and a drygoods store, alleged to be on the down-grade, all, to my untrained eye at least, were stable, up-to-the-period stores. The other three quite candidly were the exceptions. There was not a single inducement in their make-up to encourage a customer, nurtured in the atmosphere of present day merchandising, ever to return.

Chain Store Town

Peterborough in character is essentially a chain store town. It sponsored chain stores in other communities in the earlier days when they were more respectfully known as branches and were encouraged to come here and go there. Thomas Barrie, still a local resident, acquired the original Fairweather store and founded the widely known Barrie's Ltd. The late Robert Neill, whose dozen branch stores and shoe wholesale are still owned by the family though active management has passed to other hands, located quality shops in neighboring towns and cities before chain groceries were dreamed of.

That such should be the case is not difficult to understand. The city consists of a "shopping" population. Over two thirds of the potential clientele is budgeted by a weekly pay envelope. The women of those homes think of economy as a shopping basket and a tour of the main street stores or their residential offspring. Before chain stores arrived they were large mail order buyers. But food was the big budget problem.

Return Home to Shop

With the rapid change in fashions, the non-assessable influence of the cinema, the cravings agitated by travelling neighbors, those women could not rely on a style book published six months before it reached them. Fortunately wages were on the rise. Canada was interested in the Peterborough market where were made the products of Quaker Oats, Brinton Carpet Co., General Electric Co., Knitters Co., Dominion Woollens, DeLaval Dairy Machinery, Poolman Ladies Ready-to-Wear and the Western Clock Co. A new flow of currency passed into those and other local factories and many of the housewives returned to shop on main street.

No one actually foresaw it just then, and probably could not have been told, but their return was to have a decided effect on the future of main street. Like their contemporaries in every city in North America, the local merchants were buying to meet this new business and buying to keep pace with the changing tempo of a fanciful, restless public. And like the other merchants they were caught beyond their depth in the flood of that uneconomic buying.

Antiques For Sale

What fraction of the 40 per cent who have disappeared from Peterborough since 1914 can be listed as inevitable fatalities is hard to determine. But I learned that two independent department stores, that changed hands not more than six years ago, were carrying in stock, and at the original values, such antiques as women's high-laced boots, a vintage of contour adjusters that died with Granny, and ladies' stockings which men never even saw during the days of their fashion.

The cash basis of the new stores seems to appeal to Peterborough as well as the other merchandising policies.

The locally-owned multiple grocers and chains accounted for 43.19 per cent of the net sales in 1930. The sectional and national chains, in which are included the locally-owned Haboco stores, are credited with 35 per cent. The remainder of the business went to 28 independents, 17 of whom have operated as independents for more than 20 years.

Retreat by Food Chains

In the remainder of the retail trade, the absentee ownership stores received approximately 26 per cent or $2,115,500 of the total net sales. That sum was divided between 15 firms which included the C. D. S., Metropolitan, Woolworth's, Kresge's, Agnew-Surpass, Neill Shoes, Fashion Craft, Tip Top Tailors, Laura Secord Candies, etc.

The sequel to those figures was a programme of retreat on the part of the food chains. Loblaws and the Atlantic & Pacific Tea Co., operating two stores have each closed one. The Dominion Stores now do business through two instead of three. But the local triumvirate carried on with their expansion.

Stores Are Different

Walking away from the Mason store I tried to fit these little fruit shops, windows filled with decidedly unseasonable greens and fruits, the specialty shops, the ladies' shops and gent's furnishings into a picture of 1914. Some of them had been there then no doubt, but today there was no place for them. Even the dry goods stores, there are still five of the originals, were outside the frame of such a panoramic scene.

The change that had come, not nearly as slowly as everyone seemed to think, had blotted memories.

Forces For Change

Folks, it would seem, have accepted the motor car, the highway, the screen and the radio as necessities in their lives.

The outside stores came to George Street because all those things had arrived before them and created the demand.

"The arrival of the outside stores seemed to snap the local merchants out of their lethargy," a dentist told me.

No Community Interest

The most flagrant fault of the absentee stores that I could substantiate with facts, was their smug isolation. Here as in Lindsay I found they remained apart from the community life. In the 12 years they had been collecting along George Street, The Raybestos Co., The Searight Co., The Canadian Nashau Paper Co., the Johnson Motor Co., the Ovaltine Co., to mention only five of 21 industries employing more than 2,000 hands in all, had located branch plants in Peterborough. The chains have benefitted as much from that influx and increase in the local payroll as any other merchant in the city. Yet they have not in any tangible way contributed a single hour to the community effort of bringing that new life there.

Here was Peterborough's great loss in the merchandising changes of the last generation.

Community Leaders

"Before the war," I was told, "when we saw a certain merchant walking down the street we did not think of him in terms of his shop so much as in terms of his place in the community. We thought of him as the man who had donated the organ to the church, or who had put up the money to keep Peterborough in the ball league or who had been mayor of the town for three years.

"Today when the man who has replaced him walks down the street, we say—if we recognize him at all—'There goes the manager of the chain store.'"

The service clubs, whose vocational efforts are even more important and more valuable in the small cities than they are in the large, reported that they were in no way assisted by the out-of-town stores in their undertakings. Other community organizations advised that cash support was not a habit, if a practice.

Some Old Complaints

It was perhaps pure coincidence, and I do not think it has been prejudicial, that I should run across some records of various retail merchants. Conventions between Ontario and the Pacific Coast for the year 1914. Without settling any arguments they cleared away an illusion. All those charges of unfair advertising, loss-leader sales, were crudely referred to as cut-throat competition in those days. They are not the new sins of a new generation. They were consuming almost the entire time at the disposal of those conventions and turning the retail trade grey in its search for cures. Those records opened a line of enquiry that proved to me that all the crimes advertised today as the patented abuses of the big stores, were in use before the accusers of their immediate forefathers were of age.

Main Street Is Alive

Whatever has been the effect of change in this town, the detriment or benefit of the outside stores, it seems to the outside observer at least that George Street was static until they arrived. How long any change would have been delayed, or how far it could have advanced without their stimulating competition is for conjecture. Peterborough will never know.

But I know that one merchandising expert who knows Peterborough well remarked to me "All you see is the shell of Peterborough. And the shell is more brightly painted. But it is not the community it once was."

When I asked him to explain a little more definitely just what he meant, he said:

Contact With Farmers

"I used to clerk on George Street before the war. We knew all the farmers for miles around. They brought us their butter and eggs and produce, and we gave them credit for it. Then when they needed clothing or supplies they came in and bought them from us.

"The stores were really banking and social centres for the farming as well as the urban communities. We knew the farmers and the townspeople, and they knew us.

"Through us the townspeople got to know the farmers. I remember one woman whose eggs were always fresh and good. People used to call up and say: 'Can you let me have two dozen of Mrs. Brewster's eggs?' There was another woman who was known for her butter. We paid her a cent a pound premium for her butter, and the housewives of the town used to ask for it by her name.

Centralized Distribution

"All that is gone. The big buyers send their agents out in the country and buy the eggs and butter. It all goes to Toronto, and the local chains are supplied from warehouses in Toronto.

"The stores instead of being elements in the community are now cogs in a big machine."

But this man admitted that the merchandising changes were all part of the fundamental swings consequent upon the machine age. Mass merchandising went with mass production.

The arrival of the machines in the factories did not displace the human element to the extent that had been feared. Instead it demanded more from the workers if they wished to remain.

To Peterborough new efficiency meant new education. Some firms set an educational standard. Peterborough is staying longer at school these days. A single collegiate was not capable of taking care of the full load. Five years ago Peterborough built a Vocational School.

Peterborough, thanks to the enterprise of Dr. J. E. Middleton and the intelligence of factory executives, has the only industrial dental clinic in Canada.

Saunter casually through and around Peterborough and inside an hour you would be convinced that some monomaniac on out-of-door living had used it as an experimental ground and research laboratory. Two civic parks, both ample for most cities of equivalent size, are a mere beginning.

No Main Street Gangs

This may all seem irrelevant to any question of what has happened to main street, but it is testimony of what change has done to the people who tenant main street.

In a Chinese café I sat side-by-side with a civil servant. The almost exasperating quietness of George Street had driven me inside and forced a question:

"What do you do in this town after curfew?"

"Do?" The astonishment was genuine.

"There's plenty to do .... everything to do. This town is alive. They don't walk the 'main drag' to kill time here."

So, in Peterborough as in Lindsay, I got these conflicting views. There were those who found the changes in Peterborough good. And there were those who mourned the passing of features of community life that they thought stood for contentment and security.

Only on one point was there agreement: that, for better or worse, Peterborough had changed and "Main Street" with it.

What These Articles Tell

In this small group of articles, The Financial Post presents a pen picture of several typical Canadian communities. The articles describe the local "Main Street" and discuss particularly the effect on the social and economic life of the advent of the chain stores and the local branches of the big department stores.

The last article discussed Lindsay. There will be an early article on Belleville; and possibly more, if our readers find the articles interesting and valuable as case studies of Canadian community life under the impact of modern merchandising methods.

W. D. Beath & Son Has Small Loss But 1934 Better

W. D. Beath & Sons, reports a net loss of $32,742 for the year ended Dec. 31 as compared to a loss of $17,623 for 1933. Of this the parent company lost $13,714 against $2,051, last year and the western company $6,167 as compared with $2,198. Depreciation was $12,861 which is slightly less than for the previous year.

Sales continued to decline in 1933, states Lance B. Beath, president, but by reducing expenses and inventories the liquid position of the company was maintained. The first five months of the present year, Mr. Beath reports, have shown a decided improvement and the hope is expressed that if this upward trend continues losses sustained in the last two or three years may be overtaken.

CONS. INCOME AND SURPLUS ACCT.
Years Ended December 31

	1933	1932
Net earnings:	$	$
Parent company	*13,714	*2,051
Subsidiary	*6,167	*2,198
Total net earn.	*19,881	*4,249
Add: Depreciation	12,861	13,374
Net loss	32,742	17,623
Previous surplus	74,197	89,492
Inc. tax adj. (1930)	.....	1,503
Sales tax adj. (1931)	.....	825
Balance forward	41,455	74,197

* Deficit or loss.

Total current assets were down about $25,000 from a year ago, this reduction more than being accounted for in the decrease in inventories, which were valued at $164,564 in 1933 against $198,648 in 1932. The cash position was improved from $13,749 to $23,552 while accounts receivable were down from $19,096 in 1932 to $14,978.

Working Capital

	1933	1932
Current assets	$262,344	$287,993
Current liabs.	20,263	21,418
Working capital	$242,081	$266,575
Ratio	12.94—1	13.45—1

Current liabilities amounted to $20,263 which is about $1,200 less than for the previous year. These were made up of accounts payable $19,213 and accrued interest $1,051 which was about the same as for 1932.

CALL REDEMPTION WALMSLEY BONDS FOR NEXT AUGUST

Dominion Engineering Unit Retiring Funded Debt

From Our Own Correspondent

MONTREAL.—Charles Walmsley & Co. (Canada) Ltd., a subsidiary of Dominion Engineering Works, has called for redemption on August 1 next of all its outstanding 6 per cent first mortgage bonds. These bonds ordinarily would mature on February 1, 1943, but will be paid off this fall at a premium of three per cent.

Charles Walmsley & Co. came into being in 1923 when it acquired the assets and undertakings of Armstrong Whitworth of Canada. Operations are largely confined to the manufacture of pulp and paper machinery, hydraulic turbines and allied equipment. In November, 1927, control of the company, which was formerly held in England, was acquired by Royal Securities Corp. and associates and a little more than a year later was purchased outright by Dominion Engineering Works. In 1931 the company's plant was closed down in order to effect economies.

According to the last financial statement issued by the Walmsley Co. the balance sheet showed assets totalling $1,434,127, against which there was a funded debt of $729,500 and current liabilities of $20,610. Since the issuance of this report, the outstanding funded debt has been reduced to $672,500 as compared with an original issue of $1,000,000. The funded debt is guaranteed both as to principal and interest by Dominion Engineering Works.

ADVERTISING LINAGE RECORDS MAY GAIN

American Dailies Report Trend Continues Favorable

From Our Own Correspondent

MONTREAL.—Newspaper advertising linage in 52 of the principal American cities continued its recovery in May, showing no signs of any business recession, according to a report issued by Media Records Inc. and published by Editor and Publisher. On the contrary, total newspaper linage advanced from 107,490,670 lines in April to 112,122,217 lines last May. The latter figure compares with 94,648,666 lines reported for May, 1933.

In the breakdown analysis of advertising linage in the American cities during last May, Media Records Inc. report that display advertising at 94,190,021 lines was approximately 17,000,000 lines more than a year ago, while classified advertising linage at 17,932,196 lines was approximately 900,000 lines greater than in 1933. In the major divisions, retail, departmental store, automotive and general advertising show an increase. Financial advertising recorded a small decline.

Canadian Converters Change Trade Policy

From Our Own Correspondent

MONTREAL.—Canadian Converters Ltd. has broadened its sales policy, paying more attention to the small merchants than it has done in the past, according to a statement made by J. Harvey Roy, president, at the annual meeting of the shareholders.

Mr. Roy outlined in detail the campaign which the company is using in the merchandising of its products. Owing to the rise in the price of cotton which must be passed on to the ultimate consumer, Mr. Roy said it was possible that sales might show a smaller volume during the period of readjustment. The May sales showed a slight decrease for this season, he reported.

HERE'S MY BEST OLD PAL

Mr. PICOBAC Sketched from Life.

"Picobac is always the same friendly helpful old pal—never mean, never spiteful or crabbed. When I have Picobac in my pipe I always feel cheerful and comfortable. I can always depend on my old pal, Picobac.

"And as to flavour, gentlemen—the flavour is the flavour of Burley—Burley at its best. Because Picobac is the pick of Canada's Burley crop, grown in sunny southern Ontario—and cured and matured RIGHT!

"Gentlemen, I want to impress on you, that Picobac is a mild . . . cool . . . sweet smoke.

"Try it! Try it today.

"And don't forget, you get more tobacco for your money. Good for making cigarettes, too."

NEW SEAL-TIGHT POUCH 15¢
HANDY POCKET TIN 10¢
ALSO IN ½ POUND "LOK-TOP" TINS

"IT DOES TASTE GOOD IN A PIPE"!

Picobac

Imperial Tobacco Company of Canada, Limited

GROWN IN SUNNY, SOUTHERN ONTARIO

CANADA MALTING EARNINGS HIGHER AND EXPORTS UP

American Market Still Profitable Despite Heavy Duty

Canada Malting Co. will report another very satisfactory year, The Financial Post understands, when the books are closed on July 31. Both export and domestic business have been better than last year when a net profit of $398,112 was reported and the regular dividend of $1.50 was earned by a 50-cent margin.

Export of malt to United States has carried this company through the three-year depression with practically no shrinkage in net profits, and dividends have been paid every year. During the first of this period exports were not large, but when the substantial premium on United States funds was added the business was very valuable and fortunately as the premium declined exports increased so that the total return remained about the same.

Canadian Advantage

As barley prices in United States have been generally higher than in this country, Canada Malting has been able to produce malt at a sufficiently lower cost to allow it to export in the face of considerable American duty. Malt supplies have been on the short side in the United States, and the duty has remained stationary though Canadian authorities are not hopeful of it remaining so, once American supplies increase to the point where they can fill the demand. It was expected that that point would have been reached this year, but the serious drought, which has hit the chief barley centres, like Wisconsin and the Dakotas, far harder than Canada, there is a possibility of a considerable export this year, too. At any rate, it is confidently expected that the United States demand will continue to take up the slack until the freer sale of beer in Ontario and other parts of Canada this summer expands the malt market to the point where there will be nothing left over for export.

Other Outlets

Aside from the United States, the only other important export for Canadian malt has been certain South American countries, but little was sold in that direction this year due to exchange difficulties.

When the output of breweries in both United States and Canada became greatly restricted under prohibition, the malt companies turned to the development of other outlets, and bread, breakfast foods and health drinks containing malt became popular. These still constitute an important market and are expected to be retained.

Honey Dew Sales Up For First Five Months

Honey Dew Ltd. sales for the first five months of the present year, it was reported at the recent meeting, were up 6.6 per cent from the corresponding period in 1933.

Most of this improvement had taken place recently, it was stated, May alone showing a gain of over 15 per cent.

The company's appeal against a recent adverse judgment, concerning purchase of U. S. rights, was heard in May, but judgment has not been given.

How many Canadian Film Stars?

Mary Pickford, Marie Dressler, Norma Shearer, Walter Huston . . . yes, go on.

Ruby Keeler, Ned Sparks, James Rennie, and er . . .

Well there are nearly forty of them in Hollywood.

Check the list in Paul Morton's article

"STARRING CANADA!"

Maclean's
June 15th

How did Australia Recover?

Australia was first in and first out of the world depression.

Her Premier's Plan solved one of the toughest problems any nation has had to crack.

Here's an article which tells in detail what that plan was and how it has been carried out.

"HOW AUSTRALIA HAS DONE IT"
by T. C. BRAY

Maclean's
June 15th
Now on Sale . . . Ten Cents

Insurance for Buyer and Seller

THREE COMPANIES REPORT INCREASES IN NEW BUSINESS

Aggregate Gain in Life Sales During May is 7 Per Cent

Although life insurance sales in Canada during the current year are only slightly ahead of 1933 in the aggregate, according to figures compiled by the Life Insurance Sales Research Bureau, Hartford, Conn., large increases in new business are reported by a number of Canadian companies. This week, for example, The Financial Post received reports from three Canadian companies recording increases over the year of nearly 20 per cent. Furthermore, lapsation has been reduced and revivals increased.

Manufacturers Life reports an increase of 17.3 per cent in production during the first five months of 1934 as compared with the corresponding period of 1933. Lapsation during the same period has decreased 25.7 per cent for the company as a whole.

Monarch Life

Monarch Life reports an increase of 30 per cent in new paid-for business in May as compared with a year ago, production during the month being the highest in four years. Part of this large increase is accounted for by a special campaign during the month.

The increase in new paid for business for the year to date is approximately 17 per cent compared with a year ago.

Empire Life

May life insurance sales of the Empire Life were the largest in three years, the company reports. Paid for business during the first five months of this year is 21 per cent greater than during the corresponding period of 1933.

Policies cancelled and demands for cash surrender values for the same period showed a decrease of approximately 40 per cent and business revived showed an increase of more than 75 per cent.

Research Bureau Figures

A gain of 7.4 per cent in sales of ordinary paid-up life insurance during May is reported by the Sales Research Bureau of Hartford. The May, 1934 figure was $33,184,000 as compared with $32,938,000 in the same month the year previous. May sales this year were slightly lower than the previous month.

Five provinces recorded gains compared with sales a year ago. These were: British Columbia, Manitoba, New Brunswick, Ontario and Prince Edward Island.

Cumulative figures for the first five months of the year show total sales as two per cent above the corresponding total for 1933.

The Canadian figures to-date are not so spectacular as the gains being made in insurance sales in the United states. Thus May ordinary sales were 21 per cent higher than in the same month last year and cumulative figures for the first five months are 13.2 per cent above last year. These figures are influenced by the widespread slowing-up of financial transactions in 1933 due to the bank holiday.

Comparative figures for Canada follow:

(A) By Months, 1932-34

	1932 $	1933 $	1934 $
Jan.	39,289,000	31,114,000	27,925,000
Feb.	40,636,000	28,776,000	29,493,000
March ...	39,858,000	32,046,000	32,966,000
April	35,922,000	31,666,000	33,296,000
May	33,653,000	32,938,000	33,184,000
June	43,912,000	35,217,000	....
July	36,720,000	36,006,000	....
Aug.	31,138,000	30,846,000	....
Sept.	27,974,000	28,335,000	....
Oct.	32,918,000	34,534,000	....
Nov.	37,417,000	32,067,000	....
Dec.	32,852,000	41,481,000	....

(B) By Provinces and Newfoundland

	May, 1934 $	May, 1933 $	Apr., 1934 $
Alta.	1,181,000	1,560,000	1,329,000
B. C.	2,394,000	2,114,000	2,106,000
Man.	1,906,000	1,651,000	1,622,000
N. B.	819,000	791,000	879,000
N. S.	1,103,000	1,136,000	1,152,000
Ont.	14,265,000	13,793,000	14,086,000
P.E.I.	98,000	85,000	124,000
Que.	10,181,000	10,379,000	10,640,000
Sask	1,023,000	1,138,000	1,075,000
Nfld.	214,000	291,000	283,000

Total sales:		
Five months,	1934	$156,864,000
	1933	156,540,000
		+$324,000
Increase, per cent.		2.08%
Inc. May, '34 over May, '33		7.4%

Figures represent new paid for ordinary business by 19 companies having in force at Jan. 1, 1934, 91 per cent of the total business in force in Canada. Figures represent both Canada and Newfoundland and are prepared by the Sales Research Bureau, Hartford, Conn.

N. S. Pulpwood For U. K.

Two cargoes of Nova Scotia pulpwood are to be sent to England this fall, as trial shipments, to British plants, upon arrangements made by the Nova Scotia Government.

Saving on Insurance Rates Popular Municipal Trend

Three Methods of Saving Noticed in Recent Years — Insurance Companies Point Out Pitfalls — Self Insurance Condemned

Saving on fire insurance premiums has been one of the methods adopted by municipalities in recent years to obtain a balanced budget or curtail increases in assessment rates.

There have been a number of methods of saving reported. Reduction of the amount at risk has been popular, the argument usually being that improved fire protection has reduced the necessity for full coverage and the lower amount is sufficient to take care of any probable losses. Certain cities have written business with companies offering rates considerably lower than those offered by either tariff companies or regular non-tariff groups. It is claimed that these new low rates are set without full recognition of existing hazards and maximum loss possibilities.

Lastly some municipalities have gone much farther and eliminated the insurance companies entirely by setting up an insurance sinking fund designed to cover all possible losses through annual payments.

Self-insurance Platform Plank

More than one bitterly fought municipal debate has centred on the question of self-insurance. The plan has been often used as a vote-getter by municipal politicians as it offers an apparent money-saving scheme and consequent reduction in taxation. Many arguments against this plan of insurance, however, were contained in an address recently given before the Owen Sound Fire and Casualty Insurance Agents' Association by Percy J. Quinn, Toronto manager of the Royal Insurance Co. and a former Toronto alderman.

In every case on record where municipal councils, in Canada and in the United States, have taken fire insurance business on public buildings away from legitimate insurance companies and set up a municipal insurance fund, the results have been disastrous, Mr. Quinn stated. He quoted figures in connection with the insurance experience of these municipalities.

May Raid Fund

Mr. Quinn told of the case of Montreal where the City Hall, uninsured, had been burned with a loss of $1,800,000 and that the people of that city are still paying for the loss.

Cities have been known to set aside so many thousands of dollars each year against loss by fire only to find that when a fire really does spread destruction, the fund is not nearly enough to cover it, Mr. Quinn stated. Further, use of the accumulated funds set aside for such a purpose for some other apparent necessity has been reported in more than one case.

Cut-rate Premiums

Vancouver's fire insurance arrangements provide an excellent example of saving on insurance coverage by cut rates. By a recent vote of the Vancouver city council, half of the city's insurance on public buildings has been placed with a United States company which quoted a rate of $15,570 for the total coverage for three years as against $21,738 by a group of non-tariff companies and $40,872 by the tariff companies which had carried the risk for the previous three years at $50,209. It was further agreed that the balance would only be placed with Canadian or British companies if the United States company's rates were met. It is interesting to note that, even in this case, some alderman thought that the city should carry its own risk.

Present Brief in Protest

This action of the Vancouver council brought forth a storm of protest from the Vancouver Insurance Agents' Association and the individual insurance companies concerned. A brief was presented to the council by the fire branch of the British Columbia Insurance Underwriters' Association in which it was stated that the naming of cut-rate without full appreciation of the possible losses or past experience is not sound practice and cannot justify itself in the long run as a measure safe for the insurance company or the insured.

In part, the brief stated further, as follows:

Affront to Association

"Insurance on the proposed basis is entirely at variance with the system adopted by cities over the entire continent. It is inimical to the interests of our representatives, the licensed agents of the city of Vancouver. It is an unusual affront to the only rating association in British Columbia, a body which is working toward securing for the city better construction, better protection, and consequently lower insurance rates.

"It is not in the best interests of the city to alienate relationship with insurance companies which are large investors in city bonds. It is in direct opposition to the methods followed by former city councils.

Need Full Statistics

"This association maintains the machinery necessary to measure fire and water protection, building by-laws, produces plans, inspects and rates individual properties and generally creates and maintains data and statistics which are absolutely essential in sound underwriting and creating the conditions necessary to allow rate scales being reduced. In the past the city has carried, like most other cities, a certain proportion of their business non-board. The rates charged by companies not members of this association have been our rates, or ours less a cut.

"While it is the case that losses paid by the companies which carried the city insurance during the past three years have been exceptionally low, the record for the last ten years has not been so favorable. It is possible that fairly complete records could be compiled of premiums and losses for the board companies during that period, and if these will be of use in further considering the situation, we could ascertain if they are available."

Insurance Inklings

A. N. MITCHELL, general manager of the Canada Life, is in the British Isles on his annual inspection tour of the company's agencies in the United Kingdom.

HAROLD MOTTON, Monarch Life, has been appointed London branch manager to succeed the late George B. Patten. Mr. Motton was formerly agency assistant at Toronto.

J. GERALD GODSOE, B.A., LL.B., has been appointed assistant solicitor of the Confederation Life. He has been on the head office staff of the company for the past three years.

HENRY W. ABBOTT, of the Massachusetts Mutual, will be the speaker at the June luncheon of the Toronto Life Underwriters Association on June 21. Mr. Abbott's subject will be, "The Ten Co-ordinated Fundamentals That Attain Selling Success." No luncheon meeting will be held during July and August.

J. A. McCUTCHEON, Manufacturers Life district manager at Sault Ste. Marie, led Canadian producers of that company in May for the second consecutive month and qualified for the $100,000 club.

Ontario Mutual Fire Underwriters Association recently held a two-day convention at Alexandria, Ont. W. M. Snyder, of the Patron Farmers Mutual, was chairman.

Prudential Assurance Co. of England, will move its Canadian head office to the Lewis Building, 465 St. John Street, Montreal, on June 25.

Canada Life quarter million and century club members of the middle west, central and eastern United States branches recently held their annual convention at Wernersville, Pa.

Insurance Superintendents Will Meet at Saint John

Saint John, N.B., will be the venue of the seventeenth annual meeting of the Association of Superintendents of Insurance of the Provinces of Canada. September 11 to 14 are the dates which have been set. Headquarters will be in the Admiral Beatty Hotel.

This will be the first occasion on which the association has met in the Maritime Provinces, although for upwards of ten years, the insurance departments of these three provinces have generally adopted recommendations concerning uniformity in provincial statutes. Ralph P. Hartley, K.C., of New Brunswick, is president of the association.

Credit and Free Insurance Evil

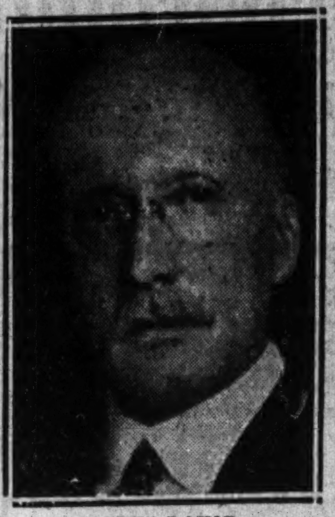
An important item of business will be the report of the special committee organized to investigate the credit and free insurance evil. This committee has unanimously recommended that each province call for a quarterly return of agents' balances more than 90 days overdue and the call will shortly be issued by several provinces. The report of the committee upon a review of the returns filed will be presented.

Plan Early Formation New Insurance Company

Public notice has been given that an application will be made to the Dominion Parliament, at its present or next session, for an act incorporating the Security National Insurance Company with power to engage in the business of insurance in the following classes: Fire, accident, automobile, bond, burglary, credit, explosion, guarantee, plate glass, sickness, sprinkler leakage, tornado and hail.

Agar & Thompson, Toronto, are solicitors for the applicants.

Heads Fire Loss Bureau



LEWIS LAING

General manager of the Liverpool and London and Globe Insurance Co., who has been elected president of the Fire Underwriters Investigation and Loss Bureau of Canada.

SAYS INSURANCE ALONE CAN SOLVE HEALTH PROBLEMS

Northern Life Official Stresses Need of Plan

Compulsory health insurance is the only solution to the problem of the high cost of medical services and the only method of obtaining for all Canadian citizens the scientific and regular care which modern science has made possible, Allan Peebles, Ph. D., of the Northern Life Assurance Co., told the Canadian Conference on Social Work at a recent meeting in Hamilton, Ont. It is accepted as an axiom, he said, that all Canadian children, no matter what their economic position, are entitled to free education, yet we have not placed the health of our citizens on the same plane.

Mr. Peebles felt that no matter what differences may be developed by the various provinces in their health insurance schemes, certain general policies should be adopted by all of them. A decided emphasis should be placed upon the prevention of disease and of physical defectiveness, he thought. As many people as possible should be covered by health insurance under which complete services, medical, dental, hospital, etc., should be included.

Insurance Should Pay

Payment for health insurance coverage should be made both by the insured and the provincial governments, is Mr. Peebles opinion A schedule of fees should be agreed upon by the professional groups and hospitals in conjunction with the provincial authorities. Every encouragement should be given to group practice, Mr. Peebles said.

That the method of providing medical care was at variance with the technology of modern medicine was stressed by Mr. Peebles. In this regard he said, in part:

"The method of providing medical care has not been changed to suit the scientific attainments of the present day. Take, for example, the maladjustment caused by the development of specialization. In the saddle-bag days, a doctor carried his equipment in a satchel. But nowadays, we have specialists for almost every organ of the human body, and to carry their combined equipment would require a six-ton truck. Yet the dominant form of medical practice is still the independent private practitioner. What the growth of specialization requires is an alteration in our methods of providing medical care. We need more organizations of general practitioners and specialists using their expensive diagnostic and therapeutic equipment in common.

Method Not Modern

"The second important cultural lag is due to the fact that our methods of paying for medical care have not been adapted to modern conditions in the medical world. We still pay for medical care in the same way our grandfathers did. During the last few decades medical costs have greatly increased, due to the tremendous strides science has been taking, but an individual still pays his doctor in accordance with the services which he has received.

"What is unsatisfactory about this? The difficulty arises from the peculiar nature of illness. For any particular individual, illness is unpredictable as regards its occurrence, severity and costs. The distribution of illness is uneven. And as long as we continue to pay for medical care according to the particular services we receive, just so long shall we have an uneven distribution of medical costs. Some families will have medical charges out of all proportion to their ability to pay, others will escape for years with small expenditures.

"In the meantime, numbers of physicians, dentists and other practitioners receive inadequate incomes, and hospital deficits, like the poor, are always with us."

CITY FIRE LOSSES HIGH IN CANADA COMPARED TO U. S.

Total Per Capita Loss Favorable, Survey Reveals

Although the per capita fire loss in Canada is only slightly more than that recorded in the United States, city losses are considerably greater than in the latter country, analysis by The Financial Post reveals. Per capita loss in the United States for 1933 was $2.15 as compared with $2.31 in Canada. City losses in the United States were $1.51 in 1933 and, although the 1933 figure for Canada is not yet available, the 1932 per capita loss of $2.72 in Canada can be compared with the United States 1932 figure of $2.22.

Compared with European cities, North American city losses appear high. For example, English city losses in 1933 were only 90 cents per capita, while some large European cities showed surprisingly low results. Among these, London 83 cents, Stuttgart 23 cents, Stockholm 51 cents and Vienna 5 cents per capita, are outstanding.

Vancouver Record Good

Among the seven Canadian cities having a population of over 100,000, only Vancouver and Toronto reported a per capita fire loss in 1932, which bears favorable comparison with U. S. experience. Losses in these two cities were $1.19 and $1.36 respectively.

Comparison of fire losses of Canadian and United States' cities, by population groups, as shown in the following table, reveals that the large spread in losses applies to all groups:

	Canada, 1932		U.S.A., 1933	
Population:	No. of cities	Per capita fire loss	No. of cities	Per capita fire loss
20,000 to 50,000	23	$2.84	264	$1.65
50,000 to 100,000	8	3.21	103	1.62
100,000 to 500,000	5	2.71	82	1.45
500,000 and ovr	2	2.61	12	1.43

D. S. Layton New Head B. C. Ins. Underwriters

D. S. Layton, branch manager of the Dominion of Canada General and the Casualty Co. of Canada, was elected chairman of the British Columbia Insurance Underwriters' Association at the annual meeting held recently in Vancouver. W. G. Gerrard of the Northern Assurance and Scottish Metropolitan was elected vice-chairman.

H. G. M. Wilson, manager of the branch, reported an active year. The membership was increased by the addition of the Pearl Underwriters' Agency of the Pearl Assurance Co., with the following retiring: Firemen's Fund Indemnity; Firemen's Fund; Globe & Rutgers Fire; Home Fire & Marine; Home Indemnity Insurance Co. of Penn.; and National Union Indemnity. The retiring companies have discontinued the writing of automobile insurance in the province.

The membership is now made up of 98 companies. At the present time there are approximately 125 insurers actively engaged in writing automobile insurance in British Columbia.

Empire Life Re-insures Oddfellows Life Contracts

Empire Life Insurance Co. has entered into an agreement by the terms of which it will acquire by re-insurance all the life insurance policies and sick benefit contracts of the Grand Lodge of the Canadian Order of Oddfellows. The agreement has been approved by the C.O.O.F. officers and the Grand Lodge has approved the principle of re-insurance.

Under the terms of the agreement, the life insurance business of the C.O.O.F. is handed over as a whole to the Empire Life together with the insurance assets of the society in return for the Empire Life re-insuring the individual members of the society who have life insurance or sick benefit contracts.

Life insurance contracts and sick benefits of the C.O.O.F. aggregate over $1,000,000, C. P. Fell, president of the Empire Life states in a letter to shareholders advising them of the acquisition.

B. C. Insurance Co. Plans to Underwrite

British Columbia Insurance Co. is reported to be planning to underwrite fire and automobile lines Capital of the company is $500,000, and as approximately $70,000 of that amount is subscribed. The management of the company is in charge of operations of the Columbia Agencies Ltd., acting as general agents, for British Columbia of a number of companies.

New Director

W. E. KIRSCH

Appointed a director of the Saskatchewan Life Insurance Co. Mr. Kirsch is the general manager and secretary of the Security Lumber Co., with headquarters at Moose Jaw.

COMPANIES CHANGE POLICY LOAN VIEWS

Aim Now to Discourage Borrowing by Policyholder

A trend away from the idea that existed several years ago that the giving of a policy loan to a life insurance policyholder as soon as possible is a good service on the part of the company, is found in a new survey of policy loans made recently by the Sales Research Bureau of Hartford.

The present tendency according to the report is to present to the policyholder either through personal contact or a letter or some specially prepared folder the idea that the loan should be avoided if possible, kept at a minimum amount if it cannot be avoided, that dividends should be used if available, and so forth. Indirectly the loan may be discouraged by requiring the signature of the beneficiary or that the signatures on the loan agreement be acknowledged before a notary. The company may require that the policy be deposited at the home office until the loan is repaid.

In general companies are trying to educate both their policyholders and agents to the attitude that the policy loan privilege is one which should be used only in cases of emergency and that a loan repayment is important because it is, in effect, repaying money which has been borrowed from the beneficiary named in the policy.

The survey found that, although there was a decrease in demand for policy loans in 1933, the loans outstanding still comprise a substantial amount of total assets, the latest figure indicating a ratio of 17.9 per cent of assets in 1932.

Research Bureau Issues Poster Service For Cashiers

The value of the cashier's department in an agency has recently been recognized by the Life Insurance Research Bureau of Hartford by inauguration of a new department in its Manager's Magazine devoted exclusively to the cashier's interests. As a further aid to this department, the bureau has now issued a series of twelve colored posters, one for each month, together with a suitable frame to be placed on the counter where the public will see it.

The purposes of this new service, it is stated, are largely to establish goodwill, and thus assist in conservation, and to initiate enquiries which may lead to new business. The 12 posters cover timely subjects allied with the field of life insurance.

A MUTUAL COMPANY
NORTH AMERICAN LIFE
Solid as the Continent
Head Office:
Toronto, Canada
ALL PROFITS FOR POLICYHOLDERS

1884 - 1934
The GOLDEN JUBILEE
of this all-Canadian Insurance Company finds it firmly established in financial security and in the confidence of the growing numbers of policy holders it is privileged to serve.
PORTAGE MUTUAL INSURANCE CO. MUTUAL SERVICE WITH SECURITY
The PORTAGE LA PRAIRIE Mutual Insurance Company
Portage la Prairie, Man.
TORONTO VANCOUVER EDMONTON MONTREAL
77

Established 1869
Strength•
Stability•
Assurances in Force (Dec. 31, 1933) $518,521,336.00
Assets $138,912,508.00
Surplus Funds and Contingency Reserves $11,917,520.04
A Purely Mutual Company
Every dollar of surplus earnings belongs to policy-holders and is either actually paid or allotted as cash dividends or held in trust for future distribution.
THE MUTUAL LIFE Assurance Company OF CANADA
HEAD OFFICE - WATERLOO, ONT.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
BRANCH OFFICES
Toronto
Ottawa
Vancouver
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Montreal
Quebec City
St. John
Halifax
HEAD OFFICE FOR CANADA HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $4,616,449.70
ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS RANGING FROM 20% TO 30%

There are no better policies than those issued by the
Confederation Life
Association

Answering the Telephone
Did you ever tell the voice on the wire that your partner was away, and get the reply that no one else would do?
Men like to deal with those they know; your customers ask for you; your partner's customers ask for him.
If you had to tell the unseen customer that your partner would never return, could you retain his business?
The inevitable loss suffered by a business on the death of a partner can be minimized by means of Business Insurance.
Consult your Life Insurance Adviser.
This Company acts as Trustee under Business Insurance Trust Agreements.
CHARTERED TRUST and EXECUTOR COMPANY
34 King St. West, Toronto. 132 St. James St. West, Montreal.
President: JAMES Y. MURDOCH, K.C.
Vice-Presidents: W. S. MORDEN, K.C. JOHN J. GIBSON and Gen. Mgr.
Secretary: E. W. McNEILL

"Canada's Largest Fire Mutual"
The WAWANESA MUTUAL INSURANCE CO.
HEAD OFFICE—WAWANESA, MAN.
Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE WINDSTORM SPRINKLER LEAKAGE AUTOMOBILE LIABILITY DOCTORS AND DENTISTS LIABILITY PLATE GLASS
Insurance in force .... over $243,000,000
APPLICATIONS INVITED FOR AGENCIES IN ALL PROVINCES
Eastern Offices: 341 CHURCH ST., TORONTO

KNOWN ROUND THE WORLD
The Liverpool & London & Globe Insurance Company Limited
Liverpool, England
Extracts from the Annual Statement for the Year 1933

Net Premiums (Fire, Life, Accident, Marine, etc.)....	$48,628,385
Consideration for Annuities granted	370,425
Net Interest derived from Investments and other income	4,152,586
TOTAL INCOME	$53,151,396
TOTAL ASSETS OF COMPANY EXCEED	$148,215,728
TOTAL CLAIMS PAID BY THE COMPANY SINCE ITS COMMENCEMENT EXCEED	$896,000,000

The Funds of the Company are as follows:—

Capital (Paid Up)	5,310,500
Fire Reserve Funds	16,737,547
Life Funds	51,579,235
Annuity Fund	3,706,587
Leasehold Redemption Fund	1,001,897
Marine Reserve Fund	2,070,576
Accident and Miscellaneous Insurance Reserve Funds	30,213,111
Profit and Loss Account after payment of Dividend for 1933	2,729,356
General Contingencies Fund	12,566,226
Four per cent Perpetual Debenture Stock Premium Fund	917,171
Staff Pension Fund	2,529,531
Members' Life Profit Account	483,212
Total Funds	$129,844,950

($5 taken as equivalent of £1)
Extract from Auditors' Report:—
The Stock Exchange Securities are included at or below cost, and the Assets set forth in the Balance Sheet, taking into account the General Contingencies Fund, are in the aggregate fully of the value therein stated.
Head Office for Canada, 500 Place d'Armes, Montreal
CANADIAN DIRECTORS
J. Theo. Leclerc, Esq. Frederick E. Meredith, Esq., K.C.
Lt.-Col. Herbert Molson, C.M.G., M.C. A. B. Purvis, Esq.
Hon. L. A. Taschereau
Lewis Laing, Manager
S. N. Richards, H. Churchill-Smith, Assistant Managers

Bank Chat on Current Topics

Progress and Banking

WALLACE R. CAMPBELL, president of the Ford Motor Car Co. of Canada, recently visited the "Century of Progress" exhibition at Chicago. In an interview in the windy city, in which he stated the company's sales are running over twice those of last year, he remarked:

"An earlier start toward improvement in our sales in Canada compared with the United States can be attributed in some respect to the stabilizing effect of the Canadian banking system on business and more conservative business practices. We're not plungers, you know."

Praise for the Canadian banking system, and a good deal of envy of it, has been expressed in the United States in the last year or two. But there have been few who have gone across the border and put it as plainly as the Ford president.

The Canadian system of banking is something that the United States may achieve in the next "century of progress."

• • •

Bank of Canada's Gold

THE Bank of Canada is apparently going to get nearly all the monetary gold reserves of Canada. But the Dominion will skim off the dollar-revaluation profit, if any, before the central bank gets the metal.

"They'll have to be pretty bad bankers not to make big profits," a Canadian bank executive stated this week to The Financial Post. "They're grabbing everything."

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Central Bank Shares

ALTHOUGH the rate of dividends is to be reduced to 4½ per cent, instead of the five or six per cent suggested by the Macmillan Royal Commission, there are still attractions in the central bank shares. First, of course, the dividend may be cumulative. And, then, most of the world's central banks are big money makers. With the Dominion's business, and eventually sole right to issue notes, the central bank is expected to do well.

Another advantage to investors is seen in the reduction of the par value from $100 to $50. This will mean issue of 100,000 shares to make up the $5,000,000 capital, instead of 50,000 under the former par of $100. This should mean wider distribution and a better market. For there will probably be a market for the shares, even if they are not listed.

From the changes in the legislation to create the bank, it appears that it may be in operation this year. And the deputy Minister of Finance, and other government officials will apparently be the first directors and managers.

This brings up the public ownership question. Opponents of private ownership cite as a major argument the vast profits that the bank would earn for the Government. The reply would seem to be that restriction of the dividend to 4½ per cent will leave the Government with the lion's share of earnings. And 4½ per cent is a reasonably cheap hire of capital, even for a "sure thing."

• • •

Golf vs. Grass

THE golf season is well under way. The golf conversation has now got around to discussing whether it is better to play or to practice to improve one's game.

One enthusiast suggested to a bank manager the other day that just to swing a club in one's garden, without reference to a ball, is good practice. The banker commented: "If I swung a golf club in my garden, it would save me cutting the grass. There wouldn't be any left."

Staff Changes

The Canadian Bank of Commerce announces these staff changes:

S. H. GEBBIE, formerly accountant at Wellington St., Sherbrooke, to be manager at Beauharnois, Que.

T. P. DELANEY, formerly manager at Beauharnois, Que., to be manager at Lennoxville, Que.

News of Bank Men

William A. Meyer, recently appointed assistant to H. J. Coon, manager of the investment department of The Bank of Nova Scotia, is the youngest son of Hon. C. C. Meyer, for many years consul at Ottawa for Denmark. He started work with the old Bank of Ottawa at 16, and became a member of the Nova Scotia staff, when it absorbed the Ottawa bank.

C. C. Parsons who has been transferred from Waterloo to managership of the Barrie, Ont., branch of The Canadian Bank of Commerce, was president of the Waterloo Board of Trade, and chairman of the board of the Kitchener-Waterloo Y.M.C.A.

The Royal Bank of Canada announces these staff changes:

R. A. ROBERTS, formerly manager Craik, Sask., to be manager at Allen, Sask.

C. S. MACDONALD, formerly manager Amherst, N.S., to be manager at Newcastle, N.B.

C. M. SIMONS, formerly at Imperial, Sask., to be manager at Alida, Sask.

C. G. M. MCBEY, formerly manager at Cochrane, Alta., to be manager at Leduc, Alta.

J. R. CLARK, formerly at Edmonton, to be manager at Big Valley, Alta.

W. R. CRUICKSHANK, formerly manager at Newcastle, N. B., to be manager at Amherst, N.S.

D. MACKIE, formerly manager at Big Valley, Alta., to be manager at Fairview, Alta.

H. S. Y. THURSTANS, formerly assistant manager at Toronto, to be manager at Sarnia.

F. DUNLOP, formerly manager at Fairview, Alta. to be manager at Didsbury, Alta.

J. K. ATKINSON, formerly manager at Leduc, Alta., to be manager at Cochrane, Alta.

Obituary

Alexander MacCallum, formerly stationed at Victoria, B.C., with Bank of British North America, later manager at Brandon, Man., and Agassiz, B.C., and who retired in 1932 from the service of Bank of Montreal, which bought the Bank of B.N.A. in 1918.

Current Events in Banking World

CENTRAL BANK MAY BECOME LOAN COUNCIL

Ottawa to Approach Provinces Seeking Unity of Borrowing

AUSTRALIA'S PLAN

Commonwealth Improved Finances by Unifying Loan Policies — How Canada Could Do It

From Our Own Correspondent

OTTAWA.—While the Federal Government hopes to evolve a national loan council out of the Central Bank, it is understood that negotiations will be carried on during the parliamentary recess between Ottawa and the various provincial capitals with the objective of achieving joint legislation by the Dominion and the provinces to strengthen the position of the Central Bank governors in this regard.

Considerable study already has been devoted to the problem of organizing governmental borrowing in Canada, also to the problem of restoring (possibly by a Federal guarantee) the credit of the western provinces. And particular attention is being given to the results in Australia with the Loan Council established after several years' effort in 1928. During his recent visit to Ottawa, Rt. Hon. Stanley Bruce, former Premier of Australia, spoke repeatedly concerning the Loan Council which he undoubtedly regards as one of the major achievements in his public life.

Australia's Benefits

Canada suffers from all of the weaknesses which, in Australia, made the Loan Council amendment to the constitution possible, and would probably reap just as beneficial results. Mr. Bruce was in an optimistic mood having (as Australian High Commisioner at London) completed, recently, the refunding of 110 million, sterling, of debt bearing interest at 6½, 6, 5¾, and 5½ per cent, at new rates of 3½ to four per cent. That the Commonwealth Government and the various states of Australia should be able to borrow at rates from ½ to one per cent lower than the Dominion of Canada, may be a surprise to some Canadians. The conversion, of course, was voluntary and concerned loans domiciled in Great Britain.

Neither the Commonwealth or the various Australian states, according to Mr. Bruce, now pay more than five per cent on any outstanding loans. In comparison, the position of Canada and her provinces will not generate much enthusiasm.

The purpose of the Australian Loan Council was to avoid the competition as between the states and the central government in floating loans. Lack of central direction in issuing loans, frequently led to two or more governmental agencies entering the market simultaneously; a fruitful source of high interest rates. Moreover, the weaker states were compelled to pay high rates and these flotations were a powerful support to a generally high return on government bonds.

Bruce Sought Unity

Mr. Bruce, then Prime Minister, sought a solution by joining the credit of all governments in Australia and, to prevent obvious dangers from materializing, the creation of a council which must approve all bond issues before they could be issued legally.

This was done by constitutional amendment carried not only by a majority of the electors in the Commonwealth but of each state.

The council is composed of representatives of each government, the Commonwealth Government having a slightly greater measure of control than any single state.

The outstanding debt of all governments was then consolidated by a general guarantee. The credit of all the country was placed behind all the debt. Interest was paid, at the stipulated periods, by the Commonwealth Government which, in turn, received from each state, in advance, the money owed by it for interest on its part of the whole. Thus while all the debt was secured on the country at large, each state and the Federal Government was held individually responsible.

Special Inducements

There were, of course, special inducements held out by the Bruce Government to the states to get them into the scheme. As in Canada, the Commonwealth Government was paying "per capita" subsidies to the state governments. These were about to be discontinued but the Bruce Government offered to carry them on if the proposed Loan Council was accepted. Only instead of paying the grants to the provinces, the Commonwealth Government, after the Loan Council was set up, used the money to offset, in part, interest payments due by the states. Some of it is also used to create sinking funds.

Under the Australian scheme, the Loan Council must agree to all new issues and is responsible for the time of issue and the rate of interest. To all practical purposes, all Australian governments surrendered their constitutional right to issue debentures if as and when purchasers could be found. While, at first sight, it would appear that such power is vital to self-government and that Canadian governments would never agree to such a surrender, the actual facts are different. The Loan Council is composed of members of the various governments; is not an organization divorced from political realities.

Two Canadian Problems

As Ottawa sees it, there are two important problems involved and only one of them can possibly be solved by the Central Bank machinery. Yet regardless of future prosperity the other must be solved in one way or another.

The first is the problem of organizing governmental borrowing in Canada. This does not necessarily imply control. In the past the Dominion and the provincial governments have sought funds when they pleased and to the extent they believed them available. Debt maturities often compelled provinces to compete with each other. For example, in the fall of 1932 British Columbia and Manitoba upset each other's financial plans by crowding a limited market with new issues.

The chartered banks have done their best to exert a regulatory influence in such matters, but the general feeling is that they have received little co-operation from the provinces.

In this respect, the Central Bank, if it actually becomes the financial agent of all the provincial governments as well as of the Dominion, may achieve a considerable measure of success. And if the bank advertises its good offices by placing its stamp of approval upon bond issues, it is believed at Ottawa that a tradition will quickly become established. After a few years a bond issue put out without the approval of the Central Bank will be less popular with investors.

Reform Needed

As to the fusion of Canadian credit, it is felt that there is an opportunity for worth-while reform. In point of fact the indivisibility of provincial and Dominion credit has been acknowledged since October, 1931, when the Dominion deliberately chose to lend money to the western provinces rather than allow them to default. But taxpayers now have the policy of fused credit with virtually none of its advantages.

It would require a detailed study of the provincial public accounts to arrive at the amount of carrying charges which might be saved if provincial debt was refunded on a national guarantee. The saving in Ontario and Quebec would be relatively small, but in the other seven provinces they would be large, particularly in the West. A conservative estimate is $25,000,000 per year. Such a scheme, it is said, would enable sinking funds to be created out of the savings realized; would place the weaker provinces in a position to work themselves out of their present difficulties. Moreover it would create administrative machinery which would prevent a recurrence of wild governmental financing such as has occurred in the past 14 years.

Plebiscites Unnecessary

In some respects, a Loan Council with statutory powers to control governmental financing could be set up in Canada more readily than in Australia. Agreement between the Dominion and the provinces, and an amendment to the British North America Act would be required. In Australia, state and Federal plebiscites were necessary.

It is further argued that something along this line is essential if the Dominion is to escape from the present policy of carrying the western provinces by loans. These provinces are in such a position that it is impossible for them to command money at reasonable rates in the open market. The only real alternative to the present policy is one of default.

Opposition to the policy, it is thought, will come chiefly from Ontario and Quebec. As to the strength of this opposition, Federal officials will be able to speak with greater authority a few months hence.

Weekly Bank Clearings

	June 14, 1934 $	Change yr. ago %	June 7, 1934 $
Halifax	2,231,759	+11.0	2,783,827
Saint John	1,619,229	+25.6	1,742,797
Moncton	679,528	+17.0	700,570
Sherbrooke	600,413	+1.0	646,003
Quebec	4,055,383	+3.7	4,822,851
Montreal	82,272,134	—7.1	102,395,321
Ottawa	4,133,266	—9.0	4,616,052
Kingston	517,080	—8.0	581,250
Peterborough	621,426	+8.8	659,230
Toronto	98,616,213	—26.7	110,022,318
Hamilton	3,932,814	+3.7	4,139,556
Kitchener	932,265	+6.1	1,337,871
Brantford	743,179	—8.1	916,042
London	2,345,621	—5.3	2,799,074
Chatham	421,503	—5.3	413,861
Windsor	2,093,814	—1.7	2,261,217
Sarnia	447,475	+3.0	554,851
Sudbury	780,128	+25.3	679,586
Ft. William	642,538	+24.5	710,109
Winnipeg	57,190,744	+41.4	75,606,062
Brandon	291,228	+16.9	340,718
Regina	2,875,796	+12.2	3,226,248
Moose Jaw	375,783	—18.3	535,255
Saskatoon	1,126,131	+7.3	1,297,133
Prince Albert	254,897	+33.1	321,068
Edmonton	3,628,603	+28.4	4,225,209
Calgary	4,380,119	—7.5	5,427,592
Medicine Hat	171,213	+7.4	221,294
Lethbridge	347,915	+5.6	377,573
N. W'minster	478,607	+15.0	520,595
Vancouver	13,689,443	—13.0	14,626,851
Victoria	1,424,960	+4.2	1,539,209

Who Own Provincial Bank And Montreal Savings Bank

Ownership of Montreal City and District Savings Bank Centred in Montreal — Provincial Bank Shares Scattered Throughout Quebec

Larger shareholders of the Montreal City and District Savings Bank are mostly Montrealers. Major holdings in La Banque Provinciale du Canada are more widely spread throughout the Province of Quebec, a survey by The Financial Post reveals.

The Molson family holds 1,865 shares in the Montreal City and District Savings Bank, according to the list of holders of 100 shares or more. Hon. Raoul Dandurand, president of the bank, holds 258 of the 20,000 shares, vice-president D. A. Hingston holds 100 shares. The general manager, T. T. Smyth, is not listed as a holder of as many as 100 shares. The list of larger shareholders is made up of estates and names of financially and socially important citizens of the city of Montreal, where most of the bank's activities are carried on.

The list of major shareholders of La Banque Provinciale shows that the bank is owned mainly in French Canada, where, too, its operations are centred. While the bank has twice as many shares as the Montreal Savings Bank, the list of large holders is shorter, indicating more widespread ownership, and that the average holding is smaller than for the Montreal Savings Bank.

Hon. Sir Hormidas Laporte, honorary president of the Provincial Bank, holds 150 shares. S. J. B. Rolland, president of the institution, is not listed among those holding 100 shares or more. Of the directors, Oscar Dufresne is listed as holding 246 shares, and Alfred Lambert and Alphonse Raymond hold 107 and 120 shares respectively. The Seminary of St. Sulpice, Montreal, with 528 shares, apparently holds the largest single block of the stock.

Holders of 100 or more shares in the Montreal City and District Savings Bank and La Banque Provinciale du Canada, are as follows:

Montreal City and District Savings Bank 20,000 shares.	
Adamsville Securities Ltd., Woodstock, Ont.	227
Estate R. Archer, Montreal	120
Estate E. J. Barbeau, Montreal	100
Estate Henry Barbeau, Montreal	148
Estate Alfred Baumgarten, Montreal	104
E. M. Berliner, Montreal	174
Mrs. T. Beullac, Montreal	110
W. E. Bolton, Montreal	105
Caisse d'Economie de Notre Dame de Quebec	1,312
Estate Michael Burke, Montreal	164
Hon. A. J. Brown, Montreal	175
Estate Dr. J. H. Chalifour, Montreal	100
Estate Lady Chapleau, Montreal	100
Mrs. I. A. Coulson, Montreal	104
Hon. Raoul Dandurand, Montreal	258
Estate M. N. de Lisle, Montreal	151
Mrs. W. M. Desaulniers, Ottawa	100
Mrs. K. B. Doherty, Montreal	100
Father Dowd Memorial Home, Montreal	314
Estate Mrs. M. B. P. Garneau, Montreal	230
L. M. Gouin, Montreal	123
Estate Sir Lomer Gouin, Montreal	301
Mrs. A. L. Gravelle, Montreal	115
Estate Mrs. J. F. Guy, Montreal	350
Estate Albert Hobert, Montreal	200
Zeph. Hebert, Montreal	102
Lady Hickson, Montreal	120
Dr. D. A. Hingston, Montreal	100
John S. Ibbotson, Montreal	143
A. P. Lesperance, Montreal	100
Hon. Rodolphe Lemieux, Ottawa	125
Mrs. C. H. Lawrence, Montreal	100
J. F. Lavoie, Montreal	100
H. G. Lajoie, Montreal	102
Estate Mrs. S. C. Judah, Montreal	1,004
H. H. Judah, Montreal	200
F. R. Judah, Montreal	215
Miss A. S. Judah, Montreal	225
Estate Hon. Robert MacKay, Montreal	120
Miss M. J. Ouimet, Montreal	227
J. A. Ouimet, Montreal	150
Miss Eugenie Ouimet, Montreal	227
Estate Hon. James O'Brien, Montreal	800
Estate Hon. Edward Murphy, Montreal	860
L. J. S. Morin, Montreal	100
W. and R. M. Molson, in trust, Montreal	350
Walter Molson, Montreal	323
Miss Mabel Molson, Montreal	172
Estate Miss L. S. Molson, Montreal	120
Lt. Col. Herbert Molson, Montreal	614
Estate F. W. Molson, Montreal	286
Estate Felix Mercier, Montreal	200
W. P. McVey, Montreal	131
Mrs. E. M. Russell, Montreal	172
Mrs. N. M. Robin, Montreal	172
Estate Col. H. Prevost, Montreal	102
M. A. Phelan, Montreal	100
Paul Ouimet, Montreal	150
Guy Vanier, Montreal	100
Lt. Col. H. J. Trihey, Montreal	102
J. des R. Tessier, Montreal	145
Sun Life Assurance Co., Montreal	100
Estate J. G. Snetsinger, Ottawa	228
Joseph Simard, Montreal	100
T. H. Wood, Toronto	105
Warwick Investments Ltd., Woodstock	227
La Banque Provinciale du Canada 40,000 shares. Quebec Registry	
M. J. A. Audet, Wolfe County	100
Estate J. J. Beauchamp, Montreal	111
Caisse d'Economie de Notre Dame de Quebec	346
M. P. Caron, St. Aubert	107
College du Sacré-Coeur, Bathurst	126
Le College de Levis, Levis	284
W. F. Carsley, Montreal	143
M. C. A. R. Desjardins, Kamouraska	523
Charles Desjardins and Co., Montreal	160
M. P. Dubuc, Limoilou	100
M. O. Dufresne, Montreal	107
M. E. Dumas, Port Joli	130
Estate Joseph Ethier, Montreal	105
Rev. L. N. Fiset, Ste. Henedine	156
M. C. Fournier, Quebec City	101
Hon. A. Galipeault, Quebec City	139
M. J. C. Gelinas, Three Rivers	109
Rev. J. E. Hebert, St. Laurent	100
Hospital General des Soeurs Grises, Montreal	123
Charles H. Howard, Sherbrooke	100
C. M. Kelly, Saint John	173
M. J. E. G. La Barre, Sherbrooke	135
M. A. Lambert, Montreal	246
Miss B. Landry, Caraquet, N.B.	200
M. J. A. Langis, Tracadie, N.B.	100
Miss J. A. Lane, Quebec City	100
Hon. Sir H. Laporte, Montreal	150
Estate J. E. L'Arrivee, Van Brilliant	120
Miss D. B. Lemieux, Hull	268
M. A. Morel, Laurentides	100
M. L. Morin, Val Des Bois	120
Northern Trust Co., in trust	105
Hon. E. L. Patenaude, Montreal	100
J. A. Perras, Montreal	106
Dr. J. Ratte, Montreal	200
M. A. Raymond, Montreal	120
M. W. Roberge, Asbestos	168
Rev. B. Saindon, St. Leonard	100
L. S. St. Laurent, Quebec City	125
A. J. H. St. Denis, Montreal	200
Le Seminaire de St. Sulpice, Montreal	528
Sun Trust Co., Montreal	225
W. E. Scully, Saint John	200
M. R. Tourville, Montreal	150

Imperial Bank Dividend Continues at 10% Rate

Imperial Bank of Canada has published the customary notice to shareholders that a quarterly dividend of 2½ per cent will be paid Aug. 1.

Dividends of the chartered banks have no connection with the dividends of the proposed Bank of Canada, which the banking and commerce committee recently recommended be set at 4½ per cent per annum.

Foreign Exchange Markets

THE Canadian dollar continues at a substantial premium in New York and has advanced against sterling. This is believed to be a reflection of transfer of funds from Great Britain to Canada since the London-New York rate has been fairly stable.

Unless there is further tampering with the American dollar, the present situation may correct itself within the next month. That is, the substantial premium on Canadian dollars in New York may disappear, and sterling may approach similar levels in Canada to those in New York. This would not necessarily mean that sterling might not decline in both places, but that the American and Canadian currencies might be brought back into sympathy with each other.

It has recently been pointed out that the large foreign balances in London which were thought to represent a potential strain on the pound, belong chiefly to sterling bloc countries. It is contended that it would not be in the interests of the owners to withdraw the funds suddenly and thus disturb the pound.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	June 12	June 13	June 14	June 15	June 16	June 18
U. S. dollar, High	.5906	.99[illegible]	.99⅛	.99¾	.99[illegible]	.99	.99
Low	.5906	.99[illegible]	1.00⅛	.99[illegible]	.99[illegible]	.98[illegible]	.98¼
1933 High	1.000	1.10¾	1.11⅛	1.11[illegible]	1.13⅛	1.12⅞	1.12
Low	1.000	1.09⅞	1.10[illegible]	1.11¼	1.11¾	1.12[illegible]	1.11½
U. K. pound	4.8665	5.00½	5.00	5.01¼	5.00⅝	4.99¾	4.98¾
Argentina	.9648	.2419	.2424	.2485	.2477	.2458	.2445
Australia	4.8665	3.9842	3.9793	3.9848	3.9808	3.9782	3.9522
Austria	.1407	.1887	.1882	.1885	.1882	.1880	.1872
Belgium	.1392	.2318	.2318	.2324	.2318	.2315	.2301
Brazil	.1963	.0895	.0895	.0896	.0895	.0893	.0888
Czechoslovakia	.0296	.0413	.0413	.0414	.0413	.0412¾	.0410
Denmark	.2680	.2237	.2234	.2238	.2239	.2233	.2221
France	.0392	.0655	.0654½	.0656	.0654½	.0653⅛	.0649¾
Germany	.2382	.3774	.3779	.3778	.3789	.3779	.3758
Greece	.013	.095	.095	.094¼	.094	.094	.093½
Holland	.4020	.6733	.6728	.6739	.6718	.6712	.6677
Hungary	.1749	.2957	.2957	.2963	.2957	.2953	.2936
India	.3650	.3819	.3804	.3816	.3807	.3799	.3775
Italy	.0526	.0854	.0854	.0855	.0853½	.0853¾	.0849
Japan	.4985	.3007	.3002	.2982	.2977	.2973	.2956
Jugoslavia	.1929	.0226	.0226⅛	.0226½	.0226	.0225⅞	.0224½
New Zealand	4.8665	4.0001	3.9052	4.0007	3.9960	3.9941	3.9679
Norway	.2680	.2517	.2512	.2519	.2516	.2511	.2499
Poland	.1122	.1888	.1883	.1885	.1880	.1879	.1867
South Africa	4.8665	4.9983	4.9921	4.9990	4.9939	4.9908	4.9581
Spain	.1929	.1357	.1356	.1360	.1357	.1355	.1347¼
Sweden	.2680	.2581	.2577	.2584	.2580	.2575	.2565
Switzerland	.1930	.3230	.3219	.3229	.3220	.3217	.3200
Hong Kong	.3422	.3611	.3611	.3623	.3626	.3616	.3600

BANKS RESTORE CUTS IN SALARY AND GIVE RAISES

Some Banks Make General Upward Revisions — Others Individual

Canadian banks are making upward revisions of salary scales.

In some cases part of salary reductions is being restored. In others the former annual increase are being brought back into play. Banks that made no salary cuts are understood to be making no widespread changes, but are making some individual adjustments.

The Royal Bank of Canada, Bank of Montreal and The Canadian Bank of Commerce are all understood to have given fairly general increases this month.

Increases for Royal Bank staff are understood to have been substantial, from juniors right up to executive officers.

The Canadian Bank of Commerce made certain increases for female employees last January, it is understood. In June, increases were given to male employees, but chiefly to juniors, The Financial Post is informed.

Bank of Montreal is reported to have made increases at first of this month, which are believed to be general throughout the bank staff.

Compensate Cuts

In these cases, raises compensate in part for salary reductions made in the last two years of declining business. These cuts ranged from 2½ to 15 per cent, the larger reductions being applicable to executive officers in most cases. When the cuts were being made, employees in the lowest salary classes were exempted, and it is among these classes that the first restorations are apparently being made.

Another bank which made general salary reductions up to five per cent, and heavier cuts in executives' salaries, is understood to be gradually restoring the decreases. In this bank the ordinary revisions of salaries due to promotions is going on as usual, The Financial Post is informed.

The Dominion Bank made fairly general salary increases recently. These were not confined to junior employees, it is understood. But this bank did not make general reductions during the depression.

Other banks that made no salary reductions are carrying with their ordinary revisions from time to time The Financial Post understands.

It is pointed out that although bank employees have decreased in numbers in the last four years, numerous retirements and promotions have taken place. The promotions, and increasing length of service of many employees, have called for individual adjustments. These have been made in most of the banks, it is understood, apart entirely from the general raises that have recently been given.

Dominion Note Circulation Down Slightly at May 31

Dominion note circulation totalled $171,110,949 at May 31, relatively little changed from the $171,516,833 at April 30. The change was entirely due to a decrease of $500,000 in advances under the Finance Act to $38,444,000.

There was a decrease of $42,543 in gold holdings of the Minister of Finance, and of $176,327 in holdings in excess of statutory requirements. Gold holdings were as follows:

Gold Holdings of Minister of Finance As at May 31, 1934	
Against P.O. savings (10% of $22,949,588)	$2,294,959
Against Dominion notes	69,166,950
In excess of requirements	371,002
Total	$71,832,911

Vancouver Georgia Hotel Pays Interest on 5% Basis

Vancouver Georgia Hotel Co. paid semi-annual interest at the rate of five per cent on its first mortgage bonds on June 1, 1934, it is understood. Payment was made on a five per cent basis in 1933, it is reported.

Amount of first mortgage bonds outstanding in 1933 was $1,260,000. The interest on the bonds is nominally six per cent, but under an arrangement with bondholders, bonds are not to be considered in default, if a four per cent interest or more is paid. Deficiency in interest paid below six per cent is to be cumulative, to be paid later, as earnings warrant.

Prospects of business for the hotel for the remainder of 1934 is reported to be sufficiently promising to indicate that interest may also be paid at five per cent on Dec. 1.

FLAVELLE SAYS BANKS' POLICIES FAIR, GENEROUS

Sir Joseph Says Bankers Desire to Give Effective Service

Sir Joseph Flavelle, one of Canada's least talkative financial leaders, recently expressed his views of the quality of bank directors in a letter to the Ottawa Journal. His comment, which is particularly timely, because of widespread criticism of bank direction and management, is, in part, as follows:

"I have been a director of the Canadian Bank of Commerce for 36 years. I have not been able to understand why the service rendered by the chartered banks in Canada has been the subject of so much suspicion. I have had a fairly wide experience in a great number of activities during the last fifty years, and have grown into the belief that the administrative policy of the chartered banks in Canada during these years has been singularly broad, fair, and even generous to the borrowing public.

"After all, the relations in life are for the most part, with or without our concurrence, settled on a common-sense basis. The more good sense and balance we can bring to our daily work and our relations to others who in some form share with us in our enterprise, the more we put ourselves in line for healthy development and useful profits.

"I sincerely believe that, speaking broadly, the bankers in Canada commonly bring to their daily work a desire to render effective service in the administrative duties resting upon them under the provisions of the Bank Act. Like all human organizations, the banks have their faults, and, I suppose, like others who are entrusted with power, there is a tendency to arrogance. Making full allowance for this, I believe we have no more honorable or effective discharge of duty than that which is performed by the chartered banks in Canada.

"In making this statement, of course I remember that the chief credit does not lie with the boards of directors, except in so far as they make wise selection of their senior officers. Nevertheless, they are an integral and vital part of the banking service. From observation and knowledge, I am of the opinion that as a class these directors are considering their duty in the responsible positions they hold, without seeking to score some peculiar advantage for themselves or their friends, at the risk either of the bank or of the public served by their respective institutions."

N. Y. Brokers Get Tickers From Toronto's Exchange

As a direct result of the increasing interest in Canadian stocks, particularly mining, displayed by Americans, the Toronto Stock Exchange has already completed plans for the installation of its ticker service in a large number of New York brokerage offices. It is expected these services will be started about July 1.

At present there are already nine tickers in Buffalo, two in Rochester, and one in Detroit, giving instant quotations and sales as made on the floor of the Toronto Exchange. Prior to the installation of the ticker services, sales quotations and bid and asked prices have been transmitted over broker's wires on request but the contemplated service will keep New York informed of the full range of Canadian issues minute by minute. It is also reported that the service may be extended to Philadelphia in the near future.

The tickers to be used will be the 5A high-grade machines similar to those now in domestic operation, and capable of transmitting 500 characters per minute.

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By FLOYD S. CHALMERS
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Published by The Financial Post, Toronto

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4. What is mass buying?
5. Are the big stores socially good?
6. What is "chiselling" in business?
7. What is the place of the Trade Association?
8. Must the B. N. A. Act be rewritten?
9. What is Economic Planning?
10. Must we control unfair competition to protect workers, business men, consumers?

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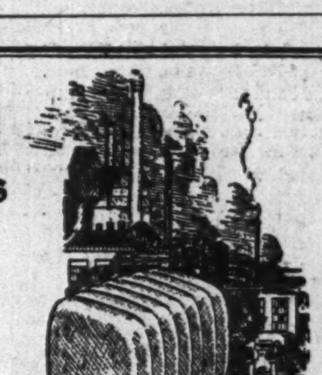

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Basic raw materials for many Canadian Industries.

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Company Limited
MONTREAL TORONTO HAMILTON WINNIPEG VANCOUVER

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING JUNE 18

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto.
June 19, 1934

	Bid	Asked
Industrial Stocks:		
Acadia Sugar c.	3.00	3.30
Acadia Sugar pfd.	4.40	4.80
Allens London pfd. bonus com.	34.50	....
Allens St. Cath. pfd. bonus com.	34.00	....
Allens Toronto pf. bonus com.	21.50	....
Andian National	36.25	....
Atlant. Sugar pfd.	90.00	93.50
B. C. P. & P. pfd.	5.00	8.00
Burns pfd. bon. c.	5.00	6.00
Can. Dom. Sugar	44.00	46.00
Can. Mach. c.	.55	1.00
Can. Packers c.	37.00	39.50
Can. Packers pfd. ex-div.	99.00	102.50
Canada Starch c.	8.00	....
Canada Starch pfd.	80.00	....
Can. W. & Cable pfd. WW	72.00	76.00
Can. Indust. A	156.00	....
Can. Indust. B	155.00	160.00
Can. Indust. pfd.	137.50	141.50
Can. Westing'se	45.00	47.00
Chase pfd. bon. c.	19.50	....
Claude Neon Gen. Adv. Units	3.75	5.00
Comm. Fin. pfd. bonus c.	9.25	....
Copeland Fl. Units	5.00	6.00
Dom. F. & Steel c.	9.00	10.00
Dom. F. & Steel p.	65.00	70.00
Dom. Manuf. pfd.	61.00	....
Dom. Woollens c.	2.65	3.35
Dunlop Tire pfd.	66.00	70.00
East. Dairies pfd.	10.00	13.00
Fed. Grain pfd.	16.00	19.00
For. Power Sec. pf.	10.00	13.00
Freiman pfd.	55.50	62.00
Gen. St. Wares pf.	33.50	36.00
Goderich Elev. & Transit	7.00	8.25
Greening Wire pf.	66.00	71.00
Guard. Realty pfd.	10.00	....
Harding Carpets Units	24.50	27.50
Hayes Wheels pfd.	8.00	12.00
Highland Dairy c.	3.00	4.50
Highland Dairy pf.	66.00	....
Inter City Bak. c.	13.50	16.00
Int. Paints pfd.	15.50	....
Inter. Propriet. A	34.00	36.00
Loew's London pf.	3.35	4.00
MacLaren Pwr. & Paper c.	17.50	....
Mansfield Theat. p.	26.00	30.00
Massey-Harris pfd.	17.50	19.50
Mt. Royal Hotel p.	2.25	3.25
Nat. Grocers c.	4.40	4.80
New Method Laund. pfd.	46.00	....
Niag. Wire Weav. pfd.	38.50	....
Para. Kitchener p.	34.50	....
Para. Oshawa pfd.	40.50	....
Prov. Paper pfd. ex-div.	83.00	87.00
Rel. Grain pfd.	49.00	53.50
Rob. Cons. Cone	8.25	9.50
Rolland Paper pfd. WW	74.00	78.00
Ruddy, E. L. pfd.	15.50	....
Serv. Stat. A pfd.	45.00	51.00
Stand. Fuel pfd. bonus	89.25	92.00
Supersilk pfd.	58.50	....
Super. Pet. B pfd.	23.00	25.00
Thayers c.	7.25	8.00
Thayers pfd.	40.25	41.00
United Corpns. A	13.50	14.50
United Corpns. B	4.00	5.00
West. Grain pfd. bonus	6.25	8.00
Wood, Alex. & James pfd.	23.50	30.00
Insurance Stocks:		
Brit. Amer. Assce.	29.00	....
Canada Life	435.00	....
Can. Fire	50.00	60.00
Confed. Life 20% pd.	123.50	128.00
Cont. Life 20% pd.	35.00	40.00
Crown Life	101.00%	....
Dom. Fire	86.00	....
Dom. Life 50% pd.	165.00	....
Dom. of Can. Gen. Ins.	100.00	104.50
Empire Life 25% pd.	9.75	12.00
Excel. Life 30% pd.	73.00	78.00
Fed. Fire 25% pd.	35.00	....
Gt. West Life	320.00	340.00
Guar. of N. A.	200.00	225.00
Guar. of N. A. 20% pd.	41.00	....
Imperial Life	286.00	....
Manufac. Life	222.00	227.00
Monarch Life 10% pd.	16.50	20.50
Sov. Life 25% pd.	14.00	17.00
Sun Life	395.00	410.00
Traders Finance A pfd.	44.50	....
West. Assur. com.	29.00	....
West. Assur. pfd.	32.00	....
Western Life 20% pd.	9.00	12.50
Trust & Loan Stocks:		
Brit. Mtge. & Tr.	132.00	140.00
Chartered Trust	66.00	70.00
Lond. & West. Tr.	....	41.00
Premier Trust	88.00	....
Sec. Loan & Sav.	102.00	....
Sterling Trust	....	45.50
Trusts & Guar.	40.50	44.00
Vict. Tr. & Sav.	121.00	130.00
Waterloo Trust	75.50	....
Investment Trust Shares:		
Can. Gen. Invest.	5.50	5.65
Can. Int. Inv. Tr. Units	20.00	23.00
Can. Invest. Fund	3.30	3.55
Can. Investors	4.75	6.00
Cons. Div. Std. Sec. pfd.	12.00	14.50
Deb. & Sec. c.	5.50	....
Deb. & Sec. pfd.	21.00	....
Dom. & Anglo Inv. Units	190.00	....
Dom. Scottish Inv. Units	24.00	28.00
Invest. Foundation Units	36.00	38.75
Sec. Holding Units	10.00	12.00
Power Issues:		
Calgary Pwr. pfd.	89.50	92.50
Can. Lt. & Pwr. c.	22.00	24.00
Can. W. Nat. Gas LH&P pfd.	91.00	93.75
Gt. Lakes Power pfd.	37.00	43.50
Inter. LH&P pfd.	2.85	....
Marit. T. & T. pf.	11.65	12.75
N. B. Tel. c.	9.70	10.25
Nova S. L&P com.	34.50	....
Nova S. L&P pfd.	84.50	....

Recent London Quotations:	
Brit. Col. Tele. pfd.	$100
Brew. & Distillers	5s. 10½d.
Can. & For. Secs.	5s. 6d.
Can. Collier A inc. stk.	38
Do., B	7½
Can. N. W. Land	£1½
Can. West. Lumber	2s.
Hudson's Bay	26s. 3d.
Do., 5% pref.	102s. 6d.
Internat. Holdings	$1½
Nfld. Pr. & Pap. deb. stk. B 5½%	103
Tor. Sub'an 4½% deb. stk.	20
Trust & Loan (15s. pd.)	11d.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Assoc. Breweries, pref.	$7	$1.75	July 1	June 15
Agnew-Surpass, pref.	$7	$1.75	July 3	June 15
Barcelona Traction	..	50c	June 30	June 23
Bell Telephone	$6	$1.50	July 16	June 23
Bank of Nova Scotia	$12	$3	July 3	June 15
Brantford Cordage, pfd.	8%	2%	July 15	June 20
Brazilian Tr., pref.	6%	1½%	July 3	June 15
Brit. Amer. Oil (17)	80c	20c	July 3	June 16
Bulolo Gold Dredging	..	60c	June 30	June 4
Bralorne Mines	60c	15c	July 16	June 30
B. C. Power A c.	$1.50	37c	July 16	June 30
Bruck S. Mills	$1	25c	July 16	June 15
Building Products, A & B	$1	25c	July 1	June 15
Burt, G. N.	$2	50c	July 3	June 15
Do., pref.	$7	$1.75	July 3	June 15
Biltmore Hats, pfd.	$7	$1.75	June 15	June 1
B. C. Elec. Pr. & Gas, pfd.	$6	$1.50	July 3	June 20
Canada Packers, pfd.	7%	1¾%	July 3	June 15
Canada Trust	$10	$5	July 3	June 15
Calgary Power, c.	$6	$1.50	July 3	June 15
Canadian Oil, pref.	$8	$2	July 1	June 20
Can. Canners, 1st pfd.	6%	1½%	July 3	June 15
Do., convert., pfd.	30c	7½c	July 3	June 15
Can. Cottons, c.	$4	$1	July 4	June 15
Do., pref.	$6	$1.50	July 4	June 15
Can. Northern Power	$1	25c	July 25	June 30
Do., pref.	$7	$1.75	July 16	June 30
Can. Perm. Mtge.	$8	$2	July 3	May 15
Can. For Invest.	..	25c	July 1	June 20
Do., pref.	8%	2%	July 1	June 20
Central Can. Loan	$8	$2	July 3	June 21
Can. Celanese, pfd.	$7	$1.75	June 30	June 15
Do., on arrears	..	75c	June 30	June 15
Can. Gen. Elec.	$3	75c	July 2	June 15
Do., pref.	$3.50	87½c	July 2	June 15
Can. Wire Box A	$1	25c	June 30	June 15
Cons. Smelters	$2	$1	July 16	June 30
Consumers' Gas	10%	2½%	July 2	June 15
Can. Converters	$2	50c	Aug. 15	July 31
Candn. Wallpaper A & B, c.	..	75c	June 8	May 22
Can. Wineries	..	10c	June 18	June 15
Dominion Rubber, pref.	$7	$1.75	June 30	June 20
Dominion Glass	$5	$1.25	July 3	June 15
Do., pref.	$7	$1.75	July 3	June 15
Dominion Stores	$1.20	30c	July 2	June 15
Dominion Bank	10%	2½%	July 3	June 20
Dome Mines	$2	50c	July 20	June 30
Do., bonus	..	$1.50	July 20	June 30
Dominion Textile, pref.	$7	$1.75	July 16	June 30
Do., com.	$5	$1.25	July 2	June 15
East. Steel Prod., pref.	$7	$1.75	July 2	June 15
Falconbridge Nickel	..	5c	June 29	June 15
Fanny Farmer	$1	25c	July 2	June 25
Do., pref.	$2.40	60c	July 2	June 25
Freiman, A. J., pfd.	$6	$1.50	July 2	June 15
Goodyear Tire	$5	$1.25	July 3	June 15
Do., pref.	$7	$1.75	July 3	June 15
Gachin Gold Syndicate Units	60c	15c	June 30	June 15
Do., extra	..	10c	June 30	June 15
Gurd, Chas., pref.	$7	$1.75	July 2	June 15
Goderich Elevator	..	25c	July 2	June 15
Hamilton Un. Theatres, pfd.	7%	1¾%	June 30	May 31
Howey Gold Mines	..	3c	July 2	May 31
Hunts, "A" & "B"	50c	12½c	July 3	June 16
Huron & Erie Mtge. (187)	6%	1½%	July 3	June 15
Imperial Bank	$10	$2.50	Aug. 1	June 30
Intercolonial Coal, pref.	$8	$4	July 3	June 21
Intercolonial Coal, c.	$4	$2	July 3	June 21
Inter. Hydro-Elec., pfd.	$3.50	87½c	July 16	June 25
Invest. Foundation	$1.50	38c	July 16	June 30
Do., on arrears	..	12c	July 16	June 30
Inter. Nickel, com.	..	10c	June 30	May 31
Inter. Nickel, pref.	7%	1¾%	Aug. 1	July 3
Imperial Tobacco, c.	35c	8¾c	June 30	June 6
Jamaica Public Service	$1	25c	July 3	June 15
Do., pref.	$7	$1.75	July 3	June 15
Do., pref.	7%	1¾%	July 3	June 15
Land, Banking & Loan	6%	1½%	July 3	June 15
Marcus Loew's Theat. pfd.	7%	1¾%	June 30	June 15
Montreal L. H. & Pr.	$1.50	38c	July 31	June 30
Mitchell, J. S., pfd.	7%	1¾%	July 3	June 15
Montreal C. & D. Bk.	$12	$3	July 3	June 15
Do., bonus	$2	$1	July 3	June 15
Monarch Knitting, pfd.	*	$1	July 3	June 15
Moore Corp., A. & B.	$7	$1.75	July 3	June 15
McColl-Fron. pfd.	$6	$1.50	July 14	June 30
National Grocers, pfd.	..	$1.75	July 2	June 19
National Trust	$8	$2	July 3	June 20
New Eng. Power, pfd.	$6	$1.50	July 2	June 11
Do., pfd.	$2	50c	July 2	June 11
Do., com.	$1	25c	July 16	June 30
Nat. Breweries	$1.60	40c	July 2	June 15
Do., pref.	$1.75	44c	July 2	June 15
Northern Ont. Power	$2	50c	July 25	June 30
Do., pref.	$6	$1.50	July 25	June 30
Noranda Mines	..	$1	June 30	June 13
National Biscuit c.	$2	50c	July 14	June 15
Niagara Wire Weav., pfd.	$3.00	75c	July 2	June 15
Do., on arrears	..	$1.50	July 2	June 15
Ogilvie Flour	$8	$2	July 3	June 22
Ottawa Traction	..	50c	July 3	June 15
Ontario Loan & Deb.	$6	$1.50	July 3	June 15
Ottawa L. H. & Pr.	$6	$1.50	July 2	June 15
Do., pref.	$6.50	$1.62½	July 2	June 15
Perfect Circle	$2	50c	July 1	June 15
Petrol Oil & Gas (13)	..	†3c	July 3	June 23
Photo Engravers, c.	$1	50c	Sept. 1	Aug. 15
Pioneer Gold	60c	15c	July 3	June 2
Porto Rico Power pfd.	$7	$1.75	July 3	June 15
Premier Gold Mine	12c	3c	July 16	June 15
Page Hersey Tubes	$3	75c	July 2	June 20
Do., pref.	$7	$1.75	July 2	June 20
Riverside Silk	$1	25c+*25c	July 3	June 15
Southern Can. Power, pfd.	6%	1½%	July 16	June 20
Siscoe Gold Mines	12c	3+1c	June 30	June 15
Securities Holding pfd.†	..	50c	July 3	June 15
Steel of Canada	$1.20	30c	Aug. 1	July 7
Do., pref.	$1.75	43¾c	Aug. 1	July 7
Supertest Petroleum A pfd.	7%	1¾%	June 30	June 15
Do., B pref.	6%	1½%	June 30	June 15
Do., com. & ord.	$1	25c	June 30	June 15
Sylvanite Gold Mines	20c	5c	June 30	May 26
Standard Fuel pfd.	$6.50	$1.62½	July 1	June 15
Supersilk Hosiery, pfd.	$3.50	$1.75	July 3	June 15
Tip Top Tailors, pfd.	$7	$1.75	July 3	June 15
Toronto Gen. Trusts	$6	$1.50	July 3	June 16
Toronto Elevators, pfd.	$7	$1.75	July 16	July 3
Toronto Mortgage	$6	$1.50	July 2	June 15
Tuckett Tobacco, pfd.	$7	$1.75	July 15	June 30
Tamblyn, pref.	$7	$1.75	July 3	June 23
Thayers 1st pfd.	$3.50	$1.75	July 2	June 15
Thrift Stores 1st pfd.	$1.62½	40⅝c	July 2	June 20
Do., 2nd pfd.	70c	17½c	July 2	June 20
Do., com.	40c	10c	July 2	June 20
Western Grocers, pfd.	$7	$1.75	July 15	June 20
Whittall Can. pfd.	$6.50■	$1.62½	July 3	June 15
Wright-Hargreaves	40c	10c	July 2	June 9
Do., extra	..	5c	July 2	June 9

*On arrears. †Interim. ■For quarter ended Sept. 30, 1932.

Dividend Rate Increased—
Dome Mines, July 20, $1 to $2 per annum.
Dominion Textile, com., July 2, $4 to $5 per annum.
Intercolonial Coal, c., July 3, 50c to $2 semi-annually.

Dividends Resumed—
Photo Engravers 50c. Sept. 1. Last paid June 1, 1932.
Marcus Loews Theat., pref., 1¾% June 30.

Active Corporation Bonds

(Furnished by Royal Securities Corp., Toronto)
June 19, 1934

Dominion and Provincial Bonds

Quotations furnished by A. E. Ames & Co., Toronto
June 20, 1934

			Bid	Asked	Approx. Yield
*†Dominion	5	1 Mar., 1937	106.25	107.00	2.26
†Dominion	5½	1 Dec., 1937	108.25	108.75	2.83
Dominion	5½	1 Nov., 1934	100.50	101.00	2.76
Dominion	3½	15 Oct., 1935	100.50	101.15	2.62
Dominion	4	15 Oct., 1935	101.00	101.75	2.65
Dominion	5	15 Nov., 1936	104.50	105.00	2.85
Dominion	4	15 Oct., 1939	102.75	103.25	3.33
Dominion	4½	1 Sept., 1940	105.75	106.25	3.38
Dominion	5	15 Nov., 1941	108.00	108.50	3.68
Dominion	5	15 Oct., 1943	108.75	109.25	3.81
Dominion	4½	15 Oct., 1944	105.75	106.25	3.76
§Dominion	4	15 Oct., 1943-45	101.75	102.25	3.71
Dominion	4½	1 Feb., 1946	105.75	106.25	3.85
§Dominion	4	15 Oct., 1947-52	101.50	102.00	3.81
§Dominion	4½	1 Nov., 1946-56	104.50	105.00	3.99
§Dominion	4½	1 Nov., 1947-57	104.50	105.00	4.02
§Dominion	4½	1 Nov., 1948-58	104.50	105.00	4.04
§Dominion	4½	1 Nov., 1949-59 (with talons)	105.00	105.50	4.03
Dominion Guaranteed Bonds					
xCan. Nat. Ry.	4½	1 Sept., 1951	106.75	107.50	3.90
*Can. Nat. Ry.	4½	1 July, 1957	106.50	107.25	4.01
Can. Nat. Ry.	5	1 Feb., 1954	111.00	112.00	4.12
xCan. Nat. Ry.	4½	15 June, 1955	109.00	110.00	4.04
xCan. Nat. Ry.	4½	1 Feb., 1956	106.75	107.50	3.98
xCan. Nat. Ry.	4½	1 Dec., 1968	105.00	105.75	4.15
§xCan. Nat. Ry.	5	1 Oct., 1969	112.00	113.00	4.09
§xMontreal Harbor Cm.	5	1 Nov., 1969	113.50	114.25	4.01
Provincial Government Bonds					
*Alberta	4½	1 Oct., 1956	88.50	89.50	5.30
Alberta	6	1 Mar., 1947	100.50	102.00	5.78
*British Col.	4½	1 Oct., 1953	87.00	88.00	5.51
British Col.	5½	1 Feb., 1945	95.50	96.50	5.94
British Col.	6	15 Feb., 1947	99.00	100.00	6.00
xManitoba	5	2 Dec., 1959	95.00	96.50	5.25
Manitoba	5½	1 Oct., 1955	97.00	98.00	5.66
Manitoba	6	1 Apr., 1947	100.00	101.00	5.89
*N. B.	4½	15 Apr., 1960	104.50	106.00	4.36
N. B.	5	2 July, 1963	110.00	111.50	4.31
N. B.	5½	15 May, 1950	109.00	111.00	4.53
N. Scotia	4½	15 May, 1943	103.50	104.50	3.90
*N. Scotia	5	1 Mar., 1960	111.25	112.25	4.22
xOntario	4	1 June, 1962	100.50	101.50	3.91
xOntario	4½	1 Sept., 1944	106.50	107.25	3.66
Ontario	4½	1 June, 1950	104.75	105.25	4.05
xOntario	5	2 Dec., 1960	113.75	114.50	4.10
Ontario	5½	1 July, 1946	112.75	113.50	4.07
§Ont. H. C.	3½-4-5	1 Oct., 1952	97.25	98.25	4.02
xOnt. H. C.	4	1 Aug., 1957	100.25	101.25	3.92
Ont. H. C.	4½	1 Jan., 1970	108.00	109.25	4.24
Quebec	4½	1 Aug., 1958	103.00	104.00	3.99
Sask.	5	1 Aug., 1958	89.00	90.00	5.81
*Sask.	5	1 Nov., 1959	89.25	90.25	5.73
Sask.	5½	1 Oct., 1952	94.50	95.50	5.90
Sask.	6	15 Mar., 1952	98.25	99.25	6.09
Municipal Bonds					
*Calgary	5½	2 June, 1944	90	93	6.32
*Edmonton	5½	1 Nov., 1945	90	93	6.37
*Halifax	5	1 July, 1961	107½	109	4.43
Hamilton	5	1 May, 1950	108	109½	4.18
Montreal	5	1 Mar., 1945	101	103	4.65
Ottawa	4½	1 July, 1945	104½	105½	3.90
*Quebec	5	1 June, 1959	102½	104	4.72
Regina	5	1 July, 1944	80	85	7.12
St. John	5	15 Dec., 1950	106	108	4.33
*Toronto	4½	1 Jan., 1955	104	105½	4.11
Victoria	5	21 July, 1945	91	94	5.72
Winnipeg	5	1 Mar., 1944	93	96	5.52

†Tax Exempt Issues. *Payable in Canada and New York. x Payable in Canada, New York and London. Yields are calculated on offering prices. § Yield at call price.

(Complete Mining Quotations on page 27)

TRADE MARK

UNITED FRUIT COMPANIES OF NOVA SCOTIA LIMITED

Co-operative Dealers in
APPLES, POTATOES
and
ORCHARD SUPPLIES

Controlling 55 Warehouses and 2 By-products Plants in the Annapolis and Cornwallis Valleys

HEAD OFFICE — KENTVILLE, Nova Scotia

B. C. Power Earnings On Better Scale in May

From Our Own Correspondent

MONTREAL.—British Columbia Power Corp. reports net earnings for May of $335,542 compared with $297,932 in the corresponding month of last year. This is the largest gain reported by the company since earnings first began to show an improvement about a year ago. Gross for the month was up $33,452 to $1,025,670 and at the same time expenses were reduced by $4,158 to $690,128.

Cumulative returns for the first eleven months of the fiscal year ended with May, show earnings at $11,601,195, a decrease of $191,380 from that reported for the corresponding period of the previous year. This fall in gross is more than offset by a reduction of $321,163 in expenses, the result being an increase of $129,783 in net earnings. The latter totalled $3,852,127 compared with $3,732,344 in the previous year.

Imperial Tobacco Co. Agree to Minimum Price

From Our Own Correspondent

MONTREAL.—Imperial Tobacco Co. of Canada is a party to the agreement under which the tobacco manufacturing company and the Ontario Flue-Cured Association has set 27 cents a pound as the average price for tobacco to growers for the next three years. The top price is expected to be about 35 cents a pound, depending upon the quality each year of the tobacco.

Whether or not this price will be established depends upon the action taken by the other tobacco manufacturing companies. In an official announcement Imperial Tobacco Co. admitted that they had signed the agreement at the request of the growers for 27-cent average price, provided: "they can secure an agreement from the other manufacturers to pay the same price."

W. C. Macdonald Inc., the second largest tobacco manufacturing company in the Dominion, has not signed the agreement. Officials of the company say they know nothing about it, except what they have read in the newspapers, and will not comment on the agreement.

Crown Brewing Co. Offer Stock in Canada

From Our Own Correspondent

MONTREAL.—The Crown Brewing Co., of South Boston, Mass., is offering in Canada 300,000 shares of common stock, part of a total offering of 1,000,000 shares. It is not indicated in the prospectus whether or not the company has placed the other 700,000 shares on the market in the United States.

The stock is being offered by the company at $1 a share and the proceeds will be used to retire $153,000 of 8 per cent cumulative preferred shares which were issued in part payment of the property. Upon completion of the financing, the company will have outstanding $150,000 of 6 per cent first mortgage bonds, and $1,200,000 shares of common stock.

The Crown Brewing Co. was incorporated last year for the purpose of taking over the Boston Beer Co., which owned a brewery plant in South Boston with a reported capacity of 100,000 barrels per annum. It is the intention of the company later on to increase the capacity of the plant to 250,000 barrels.

St. Simeon Pays Interest Due Up to July 1, 1933

Village of St. Simeon, Quebec, has been authorized to pay coupons due July 1, 1933, on $12,000 of six per cent bonds (by-law No. 2) $19,000 of 5½ per cent bonds (by-law No. 9) and $9,000 of 5 per cent bonds (by-law No. 9).

Quebec Municipal Commission requests presentation of coupons due on or prior to July 1, 1933.

Power Corporation of Canada, Limited

Our engineering and supervision of the new hydro-power project on the Saint Croix River in Nova Scotia is indicative of experienced capacity in the field of power development.

ENGINEERING — CONSTRUCTION
FINANCE — MANAGEMENT
APPRAISALS

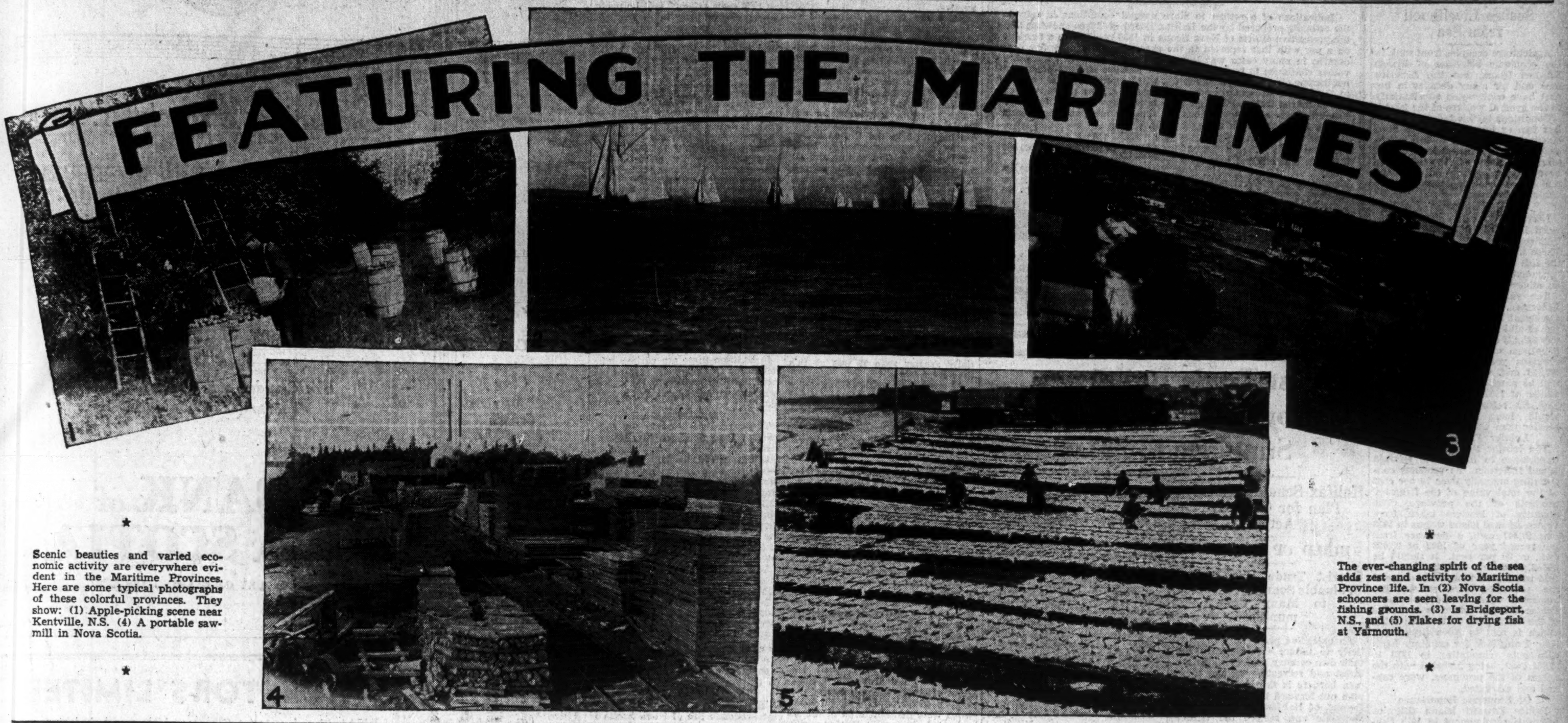
Head Office • Montreal

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXVIII — Member of Audit Bureau of Circulations — PUBLICATION OFFICE: TORONTO, JUNE 23, 1934 — 10c a Copy; $5.00 a Year — No. 25



Scenic beauties and varied economic activity are everywhere evident in the Maritime Provinces. Here are some typical photographs of these colorful provinces. They show: (1) Apple-picking scene near Kentville, N.S. (4) A portable sawmill in Nova Scotia.

The ever-changing spirit of the sea adds zest and activity to Maritime Province life. In (2) Nova Scotia schooners are seen leaving for the fishing grounds. (3) Is Bridgeport, N.S., and (5) Flakes for drying fish at Yarmouth.

Government Backs Revival of Interest In N. S. Gold Mines

Large Amount of Outside Capital Available for New Work

PRODUCING 70 YEARS

Gold Recovery to Date Nears Million Ounces — Old Properties Being Rehabilitated

Canadian, English and American capital has been made available for the further development and exploitation of Nova Scotia's gold properties. Since the substantial appreciation in the value of the yellow metal, mining companies have gone far afield in their endeavors to discover and develop new mines. To that end renewed interest has been shown in the possibilities of the Atlantic province and if activities of the past six months are any criterion, Nova Scotia is on the verge of a gold mining boom far more extensive than any experienced in the past.

Nova Scotia has the longest continuous record lode-gold production of any province in the Dominion, gold having been produced from the workings of the gold-quartz mines in each and every year for the last 70 years. The output has, however, never been large as compared with that of some of the other gold producing provinces, and latterly has fallen to very small proportions. The most productive period was from 1885 to 1903, when the average annual output was well over 20,000 fine ounces.

Immediately following 1903 there was a rapid decline in production, which reached its lowest ebb in 1921, when only 439 ounces were produced. During the last decade attempts have been made to revive Nova Scotia's gold mining industry, which, if never large, was formerly one of considerable importance to the province; but such attempts have met with little success and in 1932 production had again fallen to 964 ozs. In 1933 production totalled 1,334 ozs.

Need Modern Methods

This is the bald record of Nova Scotia's record as a gold producer up to the early part of last year. It has always been maintained by many interested in the province, that with modern methods of mining and the expenditure of capital for further underground work, Nova Scotia could again take her place as a factor in Canadian production. There is the other side of the picture.

In the last 70 years, Nova Scotia has produced about 1,000,000 ounces of gold, or approximately half the amount that Ontario produced in 1933. From this statement it would seem that the province's gold producing possibilities are of a limited character and not sufficiently large to attract much outside capital.

Not All Recorded

One authority on the gold mining industry in Nova Scotia says that half, or more, of the gold produced in Nova Scotia was never officially recorded. The reason is to be found in the fact that up until 1917 the provincial government demanded a royalty of 35 cents for every ounce of gold produced. This would appear to be a negligible charge on operation, but there is plenty of evidence to back up the statement that many of the companies and operators were not overly careful in reporting their recoveries. John Stephens, associated with the mining industry of Nova Scotia, is authority for the following story:

"Another mining company that fed ore from a Nova Scotian lead to a 15-stamp mill for more than 10 years recorded a total production of 1,400 ounces, worth $28,000. The wonder of how such a pretentious enterprise could keep going with an annual output worth $2,800 is removed by the statement of a company official who had access to the millbook in which a total production of 18,750 ounces, worth $380,000, was set down."

Properties Are Small

Most of the gold properties in Nova Scotia are small in size and capacity. The recovery to date has been largely free gold. Modern methods of gold mining as practised in other parts of the world are unkown to the province. But the fact that gold does exist in Nova Scotia is the magnet which has drawn renewed and widespread attention to the possibilities of the province's gold properties.

Government Lends Aid

The provincial government has taken an active interest in fostering the new interest in the gold properties. Regulations governing the size of claims, which were too small for economical working, have been revised and the size of the claim made the same as in Ontario and other provinces. The Government further has set up an act under which responsible parties are assisted in developing gold properties. Under this constructive legislation advances are made in the way of machinery, etc., up to a value of $25,000.

Much Activity Shown

Encouraged by the new developments mining men have gone into the province's gold fields with a new confidence. Old mills have been repaired, shafts dewatered and, today, some of these mills are producing gold successfully. On other properties new mills are being erected and will shortly be in production. In other cases, certain mining companies are getting ready for larger operations. Old prospectors have gone back into the fields and are hunting for new lode deposits.

In the several thousand square miles of territory, readily accessible and open to the prospector, there are probably many bodies of good pay ore awaiting discovery.

As reports are read and old records gone into, as properties are dewatered and examined and essential information brought together larger

(Continued on page 16)

Maritimes Utilize More Electricity

Consumption of electrical energy in the Maritime Provinces in the first four months of 1934 amounted to 219,290,000 kw.h. This compares with 197,800,000 kw.h. for the corresponding period of 1933, an increase of approximately 22,000,000 h.p., or a gain of more than 11 per cent.

The consumption of electricity is regarded as one of the more reliable indices of business conditions. The gain reported by the Maritimes this year, therefore, reflects the improvement in manufacturing operations in the larger industrial centres. At the same time it is indicative of the steadily increasing commercial and domestic demands. The greater proportion of the increase, however, comes from newsprint, pulp, lumber, etc., and other manufacturing operations.

SEA'S HARVEST GIVES MILLIONS TO NOVA SCOTIA

Fisheries Are to East What Wheat is to West

In the world's supply of fish, the Maritime Provinces hold a somewhat analagous position to that of Western Canada and wheat, for the 200,000 square miles of fishing ground from Grand Manan to Labrador constitute one of the world's three great fishing areas, the other two being the North Sea and the North Pacific.

More than four-fifths of the entire ocean fishing area of the North Atlantic lies around and adjacent to the Maritimes. It is not surprising, therefore, that the fishing industry has long been one of the most important sources of new wealth for Nova Scotia and at the same time, a means of livelihood for a large number of her people.

Declining values for fish and fish products and restricted export markets in the last two years have adversely affected Nova Scotia's fishing population. The ill-fortunes of this major industry, of course, are felt in many other lines of activity.

Work on New Plans

Both the provincial and the Dominion Governments have been active in devising ways and means of bettering the position of the fishermen. It has been impossible to overcome present conditions, but in other lines encouraging results have been achieved.

In the latter field progress has been made in improving marketing conditions in the domestic field, which in turn has brought about increased co-operative efforts on the part of the fishermen themselves. The collective action has been a stimulating force which in time to come should prove of the utmost value to the fishing industry.

Catch Up; Values Down

Over the past year the catch of Nova Scotia fishermen has been greater. Though values of late have tended to show some improvement, they are still relatively low so that comparisons of value of the catch in 1933 with that of other years does not make favorable reading.

The total quantity of fish of all kinds (including shellfish) taken by Nova Scotia fishermen last year was 2,155,217 cwt., with a value at the point of landing of $3,405,902. This compares with a catch of 1,957,136 cwt., with a value at the point of landing of $3,856,255 in 1932.

Trade Worth $6,000,000

The total value of the fisheries' production of the province in 1933 was $6,010,601, compared with $6,557,943 in 1932. These totals represent the value of the fish marketed, whether sold for consumption fresh or canned, cured, or otherwise prepared.

Lobster Takes Lead

The lobster is the king of the Maritime fish from the point of view of value. Last year the lobster fisheries had a total marketed value of $1,884,715. Lobsters marketed in the shell had a value of $1,087,770; lobster meat, $23,367; canned lobsters, $754,590, and processed lobsters, $18,988.

Next in value to the lobsters is the cod fishing, which had a value when marketed of $1,442,599. The catch last year was greater than in 1932, as also was the value, the latter gaining by about $160,000.

Other chief kinds of fish for which increases in catch and marketed value are recorded are mackerel, herring, halibut, swordfish and scallops.

There are other important commercial fish, while not showing increased catches or values in 1933, which nevertheless made a substan-

(Continued on page 16)

Maritimes Aggressive

Last to enter the depression, the Maritime Provinces are the first to come out. In this way one business man describes conditions in New Brunswick, Prince Edward Island and Nova Scotia. There are a few who will dissent from the view, but the majority will admit that the Maritimes are infinitely better off today than they were this time last year.

Business is better! Conditions are not booming, but there is ample evidence, both factual and visible, showing that the Maritime Provinces are forging ahead. The volume of traffic through the ports is setting new records. Lumbering is again active, after being dormant for several years. Manufacturing is returning to its stride. Farm product values are increasing and the farmer is receiving a better return for his labors. The fisheries are not yet out of the doldrums, but the situation is strengthening. Mining is quickening and coal production in 1934 promises to be the largest in many years.

Thrive on Adversity

Adversity has brought out the initiative which once made the Maritimes the most progressive and prosperous area in the Dominion. No longer do they sit back while others take the lead. They are well to the fore demanding and receiving a share of the benefits created by the Ottawa Agreements. New markets have been followed up aggressively and the Maritimes are cementing permanently trade opportunities created in part by political emergencies.

The lumber trade is a particular illustration. The provincial governments and the operators have sent representatives to England to find out what was needed by the trade. British importers have visited the Maritimes. The groundwork is being laid for a lasting and profitable trade.

Development of the central Canadian market for Nova Scotia coal is another example of what can be done by co-operation and initiative. Nearly 2,000,000 tons of coal went up the St. Lawrence River last year, displacing a similar amount of coal once imported from the United States or the United Kingdom. Millions of dollars have been kept within the country; several thousand men given steady employment, and Canadian ships and railways employed in moving the coal.

"Business Is Better"

Nor have other fields been neglected. The ports of Halifax and Saint John, whose activities play an important part in the welfare of the Maritimes, have demonstrated that a high freight rate on grain is not an insurmountable barrier to further expansion. The ports are handling a larger volume of traffic than for many years past.

Other phases of economic activity could be referred to in substantiation of the statement that "business is better," but this brief outline covers the major branches.

Returning confidence has contributed in large measure to this betterment. The depreciated value of the Canadian dollar has helped. To the Ottawa Agreements of 1932 can be given a share of the credit, but the greatest contributing factor toward the rapid recovery has been the increased aggressiveness of the Maritime people in working out their own salvation.

Lumber Industry Revives With England In Market

New Brunswick Operators in a Much Stronger Position Today Than at This Time Last Year

New Brunswick's lumber industry is in an infinitely better position today than a year ago, and the immediate prospects for continued improvement are most favorable, in the opinion of Hon. L. P. D. Tilley, Premier and Minister of Lands and Mines for New Brunswick.

Within the past twelve months the market for the Province's forest products has increased and the result has been that the operators and men employed in the industry have benefitted to a fair degree.

The total estimated cut in New Brunswick, on both Crown and private lands combined will be double that of last year. During the 1933-34 cutting season it is estimated that 350,000,000 ft. was cut, including both soft wood, hardwood, saw logs, pulpwood, poles, shingle bolts, mining props, etc. The saw logs will probably make up 65 per cent of the total cut.

Ship to England

New Brunswick has figured largely in the lumber export business during the last year and upwards of 130,000,000 ft. of lumber were shipped to the United Kingdom markets during 1933, the largest export business to Great Britain in many years. This lumber has gone from the ports of the province, and thus provided not only work for the men directly engaged in cutting logs, etc., but aided and assisted labor at the ports of shipment. In the 1933 shipping season, there were exported some 90,000 cords of pulpwood, about the same as in the preceding year and the greater part of this was shipped by water.

Several British timber importers have had their representatives in the province during the past year. This in itself is most encouraging as it augurs well for continued business with the United Kingdom markets. In this connection the Provincial Government has co-operated with other organizations in placing before the United Kingdom timber importers the advantages of buying New Brunswick lumber products and results have in a large measure been most beneficial.

Pulp Mills Helpful

The pulp and paper mills of the province are operating to a substantially larger extent today than a year ago. The reopening of the St. George Pulp Mill has been of great value to the people of that community, while the operation of the Port Royal Pulp and Paper Co.'s mill at Fairville has provided badly needed employment both in the mills and the woods.

New Brunswick International Paper Co., operating a large pulp and newsprint mill at Dalhousie, has been more active. Another large operator in the province, Fraser Companies, have managed to keep their pulp mill at Restigouche operating at capacity, while the cut of sawn lumber is substan-

(Continued on page 16)

NEW BRUNSWICK SETS UP BOARD HELP MARKETING

Move Made to Stimulate Sale of Natural Products

Anticipating similar action by the Federal Government, the New Brunswick Marketing Board is in essence a clearing house for the better marketing of the province's products. The board is empowered to make investigations of conditions existing in the agricultural, lumbering, fishing, coal and other natural products industries. Methods of manufacture, preparation, packing and marketing of various products are also matters of interest to the new body.

Many Problems Presented

Though the board has only been in operation since last April, it already has a large agenda to deal with. Requests have been received from the Associated Shippers of New Brunswick, the New Brunswick Fruit Growers. There have been a number of requests asking the board to look into certain phases of the fishing industry, as well as from people interested in the carrying of granite, etc.

Operations of the board to date have not been actively pushed, as it is considered advisable to wait on the Federal marketing legislation which will have an important bearing on provincial activities. Nevertheless the New Brunswick board has appointed a representative to investigate the potato marketing situation. It is proposed to make a survey of not only the domestic field, but such markets as Toronto and Montreal with a view to arriving at some plan which will prove helpful to the growers.

Encourage Fruit Export

Regarding the fruit situation, Hon. L. P. D. Tilley, Prime Minister of New Brunswick, on his recent trip to Great Britain in the interest of the Marketing Board, was able to have a number of the prominent fruit dealers visit New Brunswick with the object of encouraging the exportation of New Brunswick apples to Great Britain. As a result a representative has recently visited the principal orchards in the province and expressed himself as being exceptionally well pleased with the outlook.

Lumber Trade Helped

The premier was also able to interest a number of the principal lumber importers, brokers and dealers in the handling of New Brunswick lumber, and as a result four representatives of the British lumber trade met a large gathering of New Brunswick lumbermen at Saint John. At this meeting there was a very frank discussion of the many problems affecting the lumber industry, which without doubt will result in a very considerable increase in the export of New Brunswick lumber to the U. K. markets.

Work With Department

The Provincial Department of Agriculture is continually investigating and making surveys of existing conditions in the production and marketing of the numerous farm products. This information is available to the Marketing Board. For example, at the present time the officials of the Department of Agriculture are making a very careful survey of the strawberry situation, in respect to possible volume of production and the marketing of same. In connection with marketing comes in the question of the possible outlet within the province and export to New England markets as well as some of our principal markets in central Canada. Should there not be sufficient outlet in the fresh market the possibility of disposing of any surpluses to canneries is being investigated.

Maritime Harbors Setting New Record In Tonnage Handled

Halifax and Saint John Report Big Gains This Year

GROWTH IN 1933

Increasing Number of Shippers Make Use of National Ports on Atlantic Seaboard

Traffic handled by the ports of Halifax and Saint John during the first five months of the current year increased nearly 50 per cent over that for the corresponding period of 1933.

This, in brief, is the splendid record set up by the two Maritime ports when other ports in the Dominion have been recording decreases. Certain local factors have helped to make this showing, but, by and large, the improvement has been due to the initiative displayed by the port authorities in "drumming up" new business.

The operations of these two national ports have an important bearing on the welfare of New Brunswick and Nova Scotia. The movement of traffic outward and inward has had a stimulating effect on many lines of business, as well as providing a substantial gain in carloading for the two railways.

Big Gains Recorded

During the first five months of this year the port of Saint John handled 917,283 tons of cargo compared with 706,971 tons in the same five months of 1933. At the same time Halifax reports handling 167,974 tons, or 51 per cent more than last year when inward and outward cargo totalled 641,511 tons.

Halifax Moves Ahead

In the case of Halifax several factors seem to be responsible for these heavy gains. Primarily they are increased grain shipments, the growing use of the port for transshipment business and the heavy apple shipments from the Annapolis Valley.

In the years prior to 1932 both Saint John and Halifax had been actively campaigning for a more equitable freight rate on grain shipped from the head of the lakes. This campaign was only partially successful at the time with the result that the volume of grain moving through these ports was of relatively limited proportions.

Handle More Grain

An important change took place in the shipping of wheat from the head of the lakes in 1932 when the first cargo of all-water borne grain was received at Halifax for export. During the latter half of last year upward of 2,000,000 bushels of grain were received for export and, in addition, the port authorities were compelled to decline large quantities for which they had no space.

The increase in this type of traffic is apparent from the report of the Commission which shows that in 1933 receipts and deliveries totalled 5,559,164 bushels, or more than double the quantity reported in 1931.

Aside from wheat, apple shipments assumed very large proportions in 1933 due to the exceptionally heavy crop in the Annapolis Valley. Exports of apples through Halifax last year increased over 70,000 tons. Practically all of the apples were exported to the United Kingdom, where they found a ready market due to the excellence of quality.

The general pick-up in trade, of course, is not to be ignored. From an analysis of the movement of traffic through Halifax in 1933, divided into different trade routes, it is seen that the heaviest increase in any one trade route was in the Trans-North Atlantic business. As a large portion of this business is with Great Britain, it would appear that the Empire trade agreements are largely responsible. A continuance, and even an improvement, in this condition is noted this year.

Two other exports—cattle and lumber—already are practically certain to be very much heavier during the current year. The lumber trade in particular looks particularly encouraging. Several very substantial orders have been booked for the United Kingdom.

Saint John Prospers

Saint John port has also shared in the general improvement of conditions. Last year import tonnage handled through the port totalled 577,869 tons compared with 554,859 tons in the previous year. Export shipments increased from 546,842 tons to 663,283 tons.

In the commission's report on operations last year it is pointed out that in the exports, practically all commodities showed an increase, particularly automobiles and accessories, copper matte, cattle, lumber and wood pulp.

Gains Are Substantial

It is interesting to note in this regard that during the first four months of 1933 the export of automobiles and accessories was double those for all of 1933; newsprint exports were six times as great; pulpwood shipments increased fifteen times; softwood lumber exports were up nearly 150 per cent; while hardwood lumber exports were more than double.

In a comparison of the exports of Atlantic ports from December 1, 1933, to April 21, 1934, Saint John led in bacon, flour and oats, and was second only to New York in lard and wheat.

Facilities Are Taxed

There were times over the past twelve months when the port facilities of both Halifax and Saint John were taxed to the limit in order to handle the increased flow of traffic. Saint John of course, had suffered from a serious fire which destroyed a large proportion of the port facilities. Work was rushed on the rehabilitation programme and last December new transit sheds and grain conveyors were completed.

Maritime Building Registers Advance

New construction work undertaken in the Maritime Provinces during the first four months of the current year had a greater value than that reported for the same period in 1933. The aggregate value of contracts and building permits this year was $1,137,000, of which $890,000 represented contracts awarded. For the first four months last year new building undertaken had a value of $1,051,000, of which $760,000 represented contracts.

It will be noted that in the value of contracts awarded, the returns for the first four months of this year were $130,000 greater than in 1933, while building permits declined to the extent of $44,000.

FISHERIES PLAY IMPORTANT PART IN LIFE OF P. E. I.

Nearly 5,000 Islanders Secure Livelihood from Sea

Agriculture occupies front rank in the economic activities of Prince Edward Island, but the fisheries now and for many decades in the past have contributed substantially to the general welfare of the island.

Conditions in this industry in the last two or three years have been disappointing, owing to low prices and the general disruption of export markets. Many of the islanders, nevertheless, secure all or the major share of their livelihood from fishing operations.

Values More Downward

Last year the value of Prince Edward Island fisheries was $842,315. This compares with $988,919 in 1932. These totals represent the value of the fish marketed, whether sold for consumption fresh or canned, cured or otherwise prepared.

The value of the catch to the fishermen, on the other hand, is somewhat less. The total catch of fish of all kinds, including shell fish, was 223,473 cwt., with a value to the fishermen of $519,165. During the previous year, the catch totalled 237,368 cwt. valued at $713,552. It will be noted that had the average values of 1932 been maintained in 1933, the returns to the fishermen would have been substantially greater than was actually reported.

Lobster Fisheries Lead

The lobster fisheries is of chief importance to the Prince Edward Island fishermen, its products contributing annually over 70 per cent of the total value of the fisheries' products of the province. The quantity of lobsters taken from Prince Edward Island waters in 1933 was 91,547 cwt., a decrease from the record year of 1932 of 23,023 cwt., or 20 per cent. It should be noted, however, that the catch of 1933 was higher than the average of the preceding five years. The marketed value of the lobsters of Prince Edward Island is exclusive of the value of a part of the catch which is sold to Nova Scotia and New Brunswick for canning. Such shipments (amounting in 1933 to 15,981 cwt), being included with the values of the provinces, were canned and marketed.

Of Economic Importance

Prince Edward Island fisheries provided employment in 1933 fishing season for 4,698 persons, including 3,194 fishermen, 1,504 employees of fish canning and curing establishments. The number shows an increase over the preceding year of 1930.

Capital investment of the fishers of Prince Edward Island in 1933 was placed at $1,109,877. The value of vessels, boats, ete., employed in the primary operations of catching and landing the fish was $927,152. In addition the capital investment of fish canning and curing establishments was $182,725.

Nova Scotia Revenues Are Maintained In 1933

Indications of a return to more normal conditions is seen in the estimate prepared by the Halifax Board of Trade showing that the productive efforts of Nova Scotia in 1933 resulted in a revenue on a par with that reported in the preceding year. Quantity production in many cases was larger, but the decline in commodity values continues to have an important bearing on both gross and net income. In the following table it will be noted that the declines in the main source of revenue are negligible. The principal drop was in tourist traffic, but steps have been taken recently to stimulate this trade and expectations are that income from this source during 1934 will be on a larger basis.

	1931	1932	1933
Fisheries	$ 9,500,000	$ 7,000,000	$ 6,000,000
Minerals and mineral products	51,210,000	47,000,000	42,700,000
Manufactures, etc.	64,500,000	60,000,000	57,000,000
Building materials	4,000,000	2,000,000	1,430,000
Farm products and livestock	31,000,000	28,000,000	28,000,000
Forest products	15,000,000	10,000,000	8,900,000
Game, fish, etc.	400,000	700,000	700,000
Tourist travel	16,000,000	14,000,000	9,500,000
Number of industries	1,476	1,481	1,493
Capital invested	151,840,000	152,430,000	161,430,000
Salaries paid	4,067,000	4,627,000	4,701,000
Number of employees	22,508	21,807	19,987
Wages paid	16,000,000	14,912,000	13,411,000
Cost of materials	76,850,000	70,500,000	70,590,000
Gross vol. of products	$141,400,000	$140,000,000	$137,000,000

Tourist Trade Building From Within Country Supported In Maritimes

Halifax Senator Sponsors Plan for Collective Action

BUILD UP REVENUE

Tourist Trade Has Proven Valuable Source of Income to Many Communities

An extensive programme of publicity to induce Canadians to see their own country before seeking interest and recreation beyond their own borders is the backbone of a plan put forward by Senator W. H. Dennis, of Halifax, in an effort to stimulate and restore the tourist trade.

For several years Canada has been the favored vacation land for many millions of Americans. Accessibility of this country to the more densely populated centres of United States, combined with a variety of factors which contribute toward attracting the visitor, resulted in a tremendous inflow of tourists to all parts of the Dominion from south of the line.

These visitors came by automobile, steamship and railway. The length of their stay varied from a week-end to several weeks. They left tens of millions of dollars in this country and, needless to say, the tourist traffic was an important item in the livelihood of many communities.

Reached Peak in 1929

The tourist traffic, which to all intents and purposes, meant of Americans to Canada, reached its peak in 1929, when the Dominion's revenue from this trade exceeded $300,000,000.

With the setting in of the business depression and, later on, the amendment of prohibition regulations, the flow of tourists from the United States to Canada fell off sharply. Last year, it is estimated by the Dominion Bureau of Statistics, tourists spent $117,000,000 in this country. This is an important sum, yet, at the same time, it is felt that the figure would be far greater if efforts were properly directed toward stimulating the tourist business.

Need of Stimulation

It is recognized by those interested in the tourist trade that a duplication of conditions which existed in 1928 and 1929 may not be reproduced for many years. Meanwhile, the decline in tourist traffic is a serious matter to all the provinces, and particularly to those communities which, in the past, have made it a point to cater to this type of business.

The Maritime Provinces are particularly interested in any plan or effort which will increase the flow of tourists to their area. Thousands of visitors annually enter the three Atlantic provinces from the New England States, New York, New Jersey and other parts of the United States, as well as from other parts of Canada. Many of these people have established summer homes in one or other of the provinces. Others are interested in the fishing and in the fishing and hunting attractions offered, in New Brunswick and Nova Scotia.

Good Work Accomplished

The encouragement of tourist traffic to Nova Scotia was undertaken by the provincial government in 1925. Prior to that time, the work of attracting tourists was undertaken by a few municipalities and other associations. There was no collective effort until the Government formed a bureau to develop this important source of revenue.

Since 1929 an aggressive campaign has been conducted by the Nova Scotia Government to enlarge the trade. Numerous advertising media have been systematically used. Photographs and millions of pieces of attractive and informative literature have been placed in the hands of prospective tourists. Valuable personal contacts have been made with Travel Bureaux and Motor Clubs and sport organizations.

New Brunswick Helps

New Brunswick also has done its part in organizing effort toward attracting the tourist. A Provincial Bureau of Information and Tourist Travel has been active for some years, distributing literature, advertising and in other ways stimulating the flow of tourist trade.

New Brunswick has been particularly active in catering to the needs of fishermen and hunters. This province is extraordinarily well endowed with big game and exceptionally good fishing streams. Numerous sporting clubs have been established and it has been recently estimated that the clubhouses and equipment of these sporting clubs represent a capital investment of close on to $2,000,000, while the annual expenditure of members in the province amounts to approximately $500,000.

Prince Edward Island is handicapped by its geographical location, yet nevertheless the Island's administration have not been backward in putting forward its claims to attract the tourist dollar.

All three provinces have to date been devoting their efforts toward attracting the American tourist. While many Americans will continue to visit the Maritimes and other parts of the Dominion, Senator Dennis has pointed out that further stimulation of the tourist traffic will come about by developing a tourist trade within rather than outside the country.

There are tens of thousands of Canadians who have little knowledge of their own country. There are many others who spend their holidays in the United States. It is toward these two classes that the efforts of the tourist associations should be directed, in the opinion of Senator Dennis.

The Maritime Provinces, for example, offer all the inducements that can be found in the United States during the summer months. Fishing, hunting, golfing, sailing and all the other summertime sports, as well as the finest scenery in the world, are offered by the three Atlantic provinces to the prospective visitor. Further, these provinces have created adequate facilities for looking after the comfort of the tourist. It behooves the provinces, therefore, to direct their efforts toward stimulating the flow of tourist traffic within the country.

Insurance Sales Grow In Maritimes

An increase of more than $500,000 is seen in the returns on life insurance sales in the three Atlantic provinces of Nova Scotia, New Brunswick and Prince Edward Island during the first four months of 1934 in comparison with the corresponding period last year. Sales this year are reported at $7,983,000, as against $7,450,000 in 1933, a gain of $533,000.

While no official figures are available as to the amount of insurance carried by Maritime residents, the record of sales for many years past would indicate that the amount of insurance per capita in the three Maritime provinces is probably greater than that in any other area of the Dominion.

LUMBER INDUSTRY REVIVES WITH ENGLAND IN MARKET

(Continued from page 15)

tially greater than it was at this time a year ago.

At present both Fraser Companies and New Brunswick International are planning on an increased production of sawn lumber. This is due in part to the improved lumber market and to new conditions attached to the issuance of sawmill licenses.

Renew Sawmill Licenses

Last August the then existing 20-year sawmill licenses covering some 7,686 square miles, expired and, under authority of existing legislation were open for extension or renewal or conversion into pulp and paper licenses. Both Fraser Companies and New Brunswick International held large areas of timber lands under the sawmill licenses. As a condition of their renewal, the companies undertook to manufacture a larger amount of sawn lumber this year.

Aside from the sawn lumber industry, pulpwood operations occupy an important place in the province's forest industry. Information was supplied to the provincial Department of Lands which indicates that 466,301 cords or 233,000,000 ft. of wood were manufactured in the six pulp and paper mills located within the province, an increase of 22 per cent or 86,014 cords over 1932.

Of the wood manufactured last year 111,667 cords were supplied from Crown lands, a gain of 50 per cent over the previous year, while the remainder was purchased by the mills from granted lands or other sources.

Handle More Pulpwood

The unmanufactured pulpwood exported from New Brunswick in 1933 amounted to 104,289 cords, an increase of 11 per cent over the previous year. Of this amount approximately 73,300 cords were exported by water and the balance by rail.

The total amount of pulpwood manufactured in New Brunswick or exported in 1933 totalled 570,590 cords, an increase of 97,004 cords or 20 per cent over the previous 12 months. During the 1932-33 logging season, 104,333 cords of pulpwood were cut from Crown lands as compared with 95,338 cords in the previous year.

GOVERNMENT BACKS REVIVAL OF INTEREST IN N. S. GOLD MINES

(Continued from page 15)

exploration and development companies are becoming interested.

In the Brookfield District of Queens County, United Goldfields, Ltd., are getting a new 25 ton ball mill ready for production. Development work is being continued on the 275 and 400 foot levels and the new vertical shaft, most modern in the province, is to be deepened to new horizons. The work here is being confined to a fissure vein showing average widths of approximately 5 feet. The ore is partially free milling, about 40 per cent being recoverable by amalgamation.

At Central Rawdon, The Hants Gold Mines, Ltd., are completing their surface plant and continuing underground development. The veins here are high grade, with most of the gold content in a free state.

In the Stormont District of Guysboro County, Locarno Gold Mines, Ltd., are operating on extensive underground development. Unusually large ore bodies have been opened up, a new vertical shaft has been completed and new surface equipment is to be installed.

At Goldboro, the old "Beaver Hatt" property is back into production with the old mill in full operation. The underground is being developed and ore blocked out.

Now Producing Gold

In the Wine Harbour District, a mill is now producing and development work is being proceeded with. It is reported that a rich zone of pay ore has been found along one of the drifts and that the operators are encouraged with their prospects of creating a permanent producer.

At Moose River a new vein worked during the past summer in a small way yielded some $15,000 in gold and the operators are planning extensions.

At Montague, Mine Finders, Ltd., an Ontario company, have undertaken the development and operation of the once famous Montague Mine. The operation is a large one. A four compartment vertical shaft is down over 400 feet and underground work is being pushed. This mine should become a major operation.

In the Cochran Hill district of Guysborough County, the Cochran Hill property is being made ready for dewatering and re-examination. There are ore zones here more than 75 feet in width which, evidently, extend for some three miles in length. It is probable that one of the larger mining companies will purchase this property and develop it into a major producer. On account of its enormous dimension it holds forth great promise, the increase in the price of gold making its low-grade ores profitable.

Again the Stormont District, Renada Gold Mines, Ltd., are getting ready to develop the East Goldbrook property. This is another ore body which gives promise of making a major producer. There are widths, in ore, over 20 feet. A large tonnage has been partially blocked out above the 150 foot level.

Promising Districts Reported

At Renfrew, during the summer of 1933, much prospecting and exploration work was completed. This, combined with the older development work, makes the district look promising. It is expected that during 1934 some attempt will be made to bring the property into operation. This is probably one of the best high grade properties in Nova Scotia. Over $1,000,000 in gold was taken from it in the old days, with the crude mining and milling methods then used, and with the recovery of only part of the values from the ore.

There are a dozen or more properties on which active development work is being carried out on this summer. And hopes are high that results will lead to the establishment of a number of profitable mines, which will again place Nova Scotia among the substantial gold producers. No one anticipates that a Lake Shore or Hollinger will be found, but small, profitable mines, justifying the outlay of capital, are confidently expected.

SEA'S HARVEST GIVES MILLIONS TO NOVA SCOTIA

(Continued from page 15)

tial contribution to the total. These include haddock, salmon, smelts, pollock, etc.

In addition there are various miscellaneous fish products, such as oil, meal, fertilizer, which in the aggregate have an annual value of around $200,000.

Over $8,000,000 Invested

The capital invested in the fisheries of Nova Scotia in 1933 is estimated by the Dominion Bureau of Statistics at $8,221,108. This total comprises $5,837,660 as representing the value of vessels, boats and gear employed in primary operations and $2,383,448 as the value of fish canning and curing establishments. Compared with the preceding year, the total capital showed a decrease of $1,048,063, both divisions showing lower values.

Last year there were 177 fish canning and curing establishments in operation, a decline of 13 from those reported in the previous year. Curiously enough, the number of lobster canneries declined by 19, whereas practically all other types held their own or showed an increase. The number of fish curing establishments, for example, increased from 65 to 71.

Large Number of Workers

The importance of the fishing in the economic life of Nova Scotia is seen in the volume of employment provided. There were more men employed in catching and landing the fish in 1933 than in the previous year, but the number of employees of establishments shows a decrease. The total number of employees last year was 20,553, of which 17,133 were classified as fishermen, and 3,420 as employees of the fish canning and curing plants. The number of workers in the primary operations showed an increase during the year of approximately 900, while the number of persons employed in the establishment declined by 429.

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RECORDS PROGRESS

Production and Use of Electricity in Province Registers Marked Increase

Output of the Nova Scotia Power Commission, largest power operator in the province, has shown a substantial improvement since the close of the fiscal year ended September 30, 1933. The gain is not attributed to any one direct cause, but rather to a general improvement in the industrial, commercial and domestic demand.

The record of the power industry in Nova Scotia has been a highly favorable one in the past four or five years. Many new hydro power sites have been developed, while the growing use of electrical appliances in domestic service, expansion of industry, etc., has added to the power load, with the result that production figures for Nova Scotia have shown consistent increases when other areas elsewhere in Canada have registered decreases or have not been able to do much more than hold their own.

Marked Gains Recorded

In a recent survey of the Nova Scotia power industry, Harold S. Johnston, Chief Engineer of the Nova Scotia Power Commission, pointed out that in 1926 the total output of electrical energy (not including industrial self-generated) was 78,249,000 kw.h. and for 1931, 257,573,000 kw.h. The following year production increased to 275,590,446 kw.h., which compared with an output of 314,787,000 kw.h. for the fiscal year ended September 30, 1933 (the period on which the Commission bases its operating returns).

With 1931 showing an increase of 436 per cent over 1926 and 1932 showing 7 per cent betterment over 1931, which is continued with 1933 gaining 14 per cent over 1932, Mr. Johnston's survey draws attention to the fact that the abnormality in the 436 per cent increase is due to the large power taking of new industries, such as the Mersey Paper Co.'s mill, the Halifax Power and Pulp Co.'s mill at Sheet Harbour, the Minas Basin Pulp and Paper Mills, at Hantsport, and the Cosmos Imperial Mills at Yarmouth.

Reduce Electricity Cost

The cost of electricity has decreased with the increased output as the index numbers of domestic electric light bills compiled by the Dominion Bureau of Statistics show.

Based on records of the year 1926 as 100 per cent, and weighted by the number of customers, the index number for Canada for 1931 was 89.60, and for Nova Scotia 71.29 being the greatest provincial decrease, and showing the average cost of electricity for domestic light, etc., to be 28.71 per cent less in 1931 than in 1926.

As the largest producer of electric energy in the province, The Nova Scotia Power Commission's activities in this field make an interesting comparison with the output from all sources for the entire province.

Commission's Expansion

The Commission was organized in 1919 and proceeded with the development of what is now known as the St. Margaret Bay System which completed its first fiscal year's operation on September 30th, 1923, generating 19,386,500 kw.h.

For the same year, the Mushamush Plant, now known as Clearland Development, which was acquired and rebuilt during 1921-22, turned out 285,590 kw.h., making a total output of 19,681,590 kw.h. from an installed capacity of 11,400 h.p., involving a capital investment of $2,467,641.95. This compared with the total output of 18,416,217 kw.h. generated during October, 1933, and with 194,682,997 kw.h. output for the twelve months period ending October 31, 1933, by the seven generating systems now in operation representing a total installed capacity of 62,955 h.p., and a capital investment of $13,902,234.

All Divisions Contribute

While the demands contributing to increased output in the greatest quantity are from larger industrial loads, the domestic and commercial classifications play an important part in stabilizing the power and energy industry, and form perhaps, a better indication of future prospects for prosperity, as such a load forecasts the reaction on a proportion of the population more representative of the entire province. Every public utility in the province has been eminently satisfied with the continued increase in domestic taking of energy during the last few years.

The following tabulation gives an interesting comparison between the net generation for twelve months periods, excluding station service, of the Commission, and the net generation of all stations in Nova Scotia, including the Commission, as reported by the Dominion Bureau of Statistics. These figures are exclusive of energy which is self-generated for industry.

	Kw. Hrs. Generated by		
	Water	Fuel	Total
Province of N. S. as at Dec. 31/32	190,741,876	84,848,570	275,590,446
The N. S. Power Commission as at Sept. 30/32	155,846,452	....	155,846,452
Province of N. S. as at Sept. 30/33	219,407,000	95,380,000	314,787,000
The N. S. Power Commission as at Sept. 30/33	192,397,998	....	192,397,998

Consumption Moves Up

In the domestic and commercial fields, without taking into consideration new districts established, the kw.h. consumption of the Commission's customers for the year ending September, 1933, exceeded the previous year by 25 per cent, while the number of customers increased by only 1.07 per cent signifying an upward trend in consumption per consumer.

During the year three new districts were established viz: Stewiacke, White Point Beach and Prospect, with a total of 82 new customers. Extensions have been provided for between Mahone Bay and Oakland, consisting of about three miles of 2,300 volt primary and secondary distribution circuit from the metering station for the Town of Mahone Bay along the northeasterly side of Mahone Harbor; and, for about two miles of 2,800 volt primary and secondary circuits from the vicinity of Lower Barney's River along the road to Arisaig as a distribution extension to the 13,200 volt transmission line from Thorburn to Antigonish.

At the end of September, 1932, the Commission had in operation 356 miles of transmission and distribution line to which have been added about 54 miles, making approximately 410 miles in operation, not including the extension referred to above, the construction of which will be carried out during the fiscal year 1933-34.

Provide For Distribution

The output of the St. Margaret System is purchased by the Nova Scotia Light and Power Co. to which the Commission is contracted to supply 27,750,000 kw.h. per year on a cost basis. The company is also tied in at Armdale to a line coming from the Avon River Power Co. which supplies the surplus requirements. This arrangement together with the company's steam stand-by plant, provides practically one hundred per cent assurance of continuous service to consumers of Halifax and surrounding districts. For the twelve months period ending October 31, 1933, the Commission delivered 29,739,000 kw.h. and the Avon River Power Co. about 6,642,000 kw.h. to The Nova Scotia Light and Power Co.

Covers Important Field

The Avon River Power Co. is a major and most active public utility with six generating stations, two on the Avon River, and four others known as White Rock, Black River, Nictaux and Fall River, with a total rated capacity of 12,825 h.p. as at December, 1933. During 1932 the company generated 31,664,080 kw.h.

Avon River Power operates from Windsor to Middleton through the Annapolis Valley covering the intervening country with a network of distribution lines. A 66,000 volt line from the Avon plants runs across country to Halifax where it connects with The Nova Scotia Power Commission's lines from St. Margaret Bay.

The Waverley or Fall River plant serves a transmission line extending along the Truro Road from Waverley to Brookfield. Operations are extended to other parts of the province through subsidiary companies.

Throughout the province there are a number of other companies dispensing electric energy which are very much alive to the requirements of consumers and possibilities of industry. In Cumberland County, there is the Canada Electric Co., whose Maccan station has a rated capacity of 18,520 h.p. in steam turbines. This station generated over 14,000,000 kw.h. in 1933.

Meet Province's Needs

The Northumberland Light and Power Co. and the Cobequid Power Co. serve an extensive district in Colchester County. Although its output is comparatively small, it fills a need of relative importance from the consumers' standpoint.

In Digby County, the Digby County Power Board with generating stations on the Sissiboo River distributes energy along the County coast, including Digby Neck, over about ninety-five miles of transmission and distribution lines.

The Western Nova Scotia Electric Co. and Annapolis Valley Electric Co. operate extensively in Yarmouth and Annapolis Counties respectively.

In Cape Breton the bulk of energy used is distributed by the Dominion Utilities and the Eastern Light and Power Co. and the energy is supplied from the steam-electric plants of the Seaboard Power Corp.

The Pictou County Power Board, covering considerable area in Pictou County is non-generating, purchasing its requirements from The Nova Scotia Power Commission. This operation has shown remarkable growth, and has produced remarkable economies for its customers.

Pulp and Paper Leads In Maritime Industry

With vast supplies of pulpwood, adequate low cost water powers and unequalled transportation facilities to the principal markets, the pulp and paper industry of New Brunswick and Nova Scotia has set up an enviable record of sustained operations during the past three years of depression. This view shows the tidewater mill of the Mersey Paper Co. at Liverpool, N.S. The plant has been operating at capacity since it first started to produce commercial newsprint in the late months of 1929.

EASTERN TRUST

Eastern Trust Co., of Halifax, commenced business in 1893 with a Dominion charter and at the end of 1932 had assets of almost $50,000,000. The company has shown consistent increases in deposit liabilities as well as in estates under administration. It has a strong board of directors and earnings have been well maintained. Mortgages held by the company are all on properties in Quebec and the Maritime Provinces.

The last available financial statement shows that the company had under administration estates totalling in value approximately $45,000,000, while guaranteed trust funds exceeded $3,000,000. The paid-up capital of the company amounts to $1,000,000, while the reserve totals $200,000. Earnings have been satisfactorily maintained and regular dividends paid at the rate of $8 a share.

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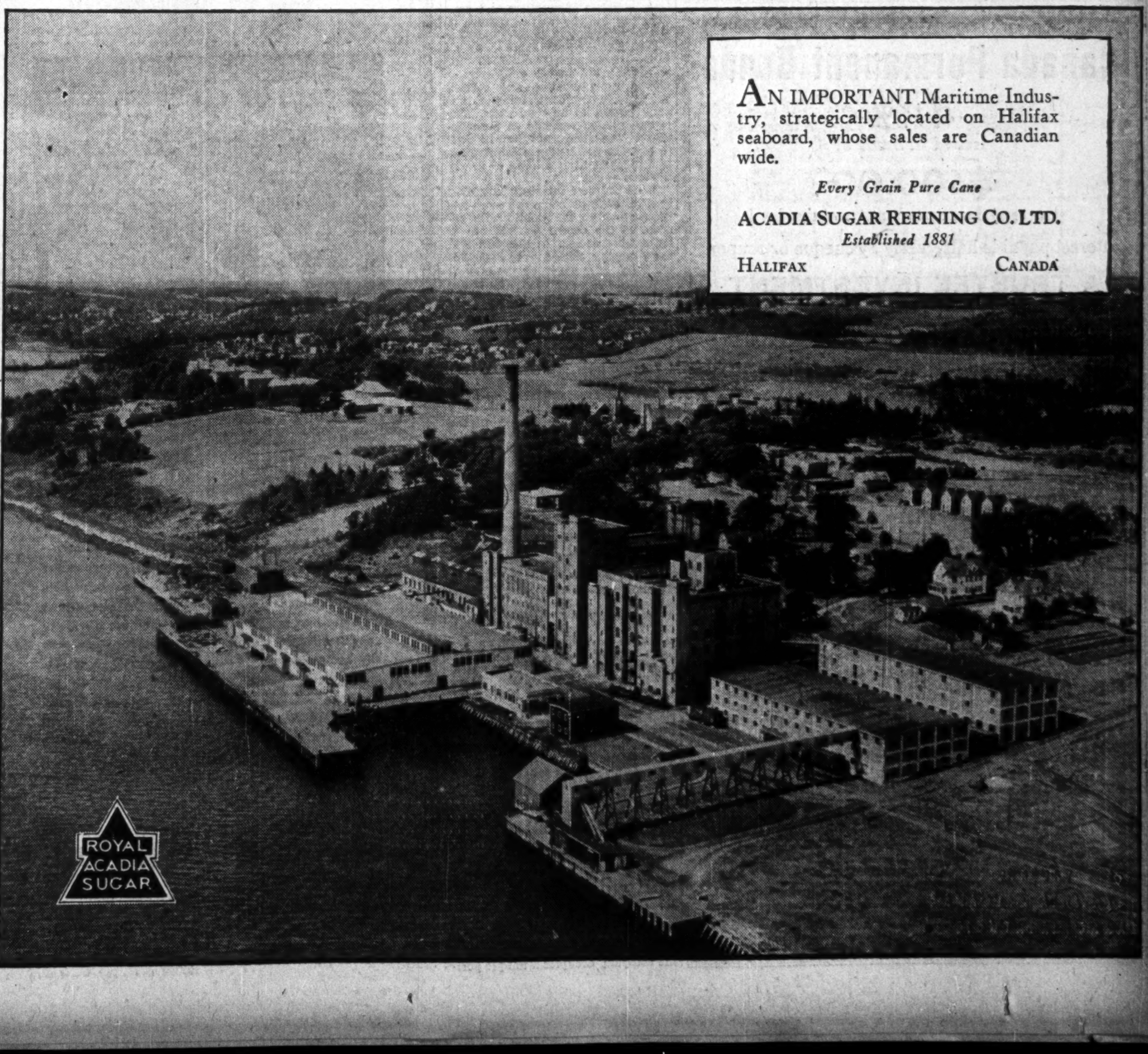

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Betterment In Conditions Seen Among Maritime Industries

RECORD STOVE

Although one of the oldest firms of its kind in the Maritime provinces, the Record Stove and Furnace Co., Moncton, ranks among the more progressive of Eastern Canadian manufacturing enterprises.

The company's products are particularly well known throughout the Maritimes, Quebec and Ontario. During the many years in which the company has been doing business, a widespread distribution organization has been created. Its products include stoves for coal, wood and gas.

Tourist Traffic Easier

Tourist traffic to Nova Scotia declined approximately 18 per cent in 1933. Barely 170,000 visitors were reported compared with 204,776 in the previous year. The number of tourist cars entering the province was 26,479, as against 30,666 in 1932.

ACADIA SUGAR

Both the operating position and earning power of Acadia Sugar Refining Co., of Halifax, have undergone substantial improvement in the last two years. This has been due to a variety of causes, but principally the application of the Dumping Act and an improvement in the domestic demand, as well as more stabilized conditions in the raw sugar market.

Earnings of the company in 1933 were on practically the same basis as in the preceding year. It had been expected that income would show an increase, but the imposition of an excise tax of 2 cents a pound on the sale of sugar did much toward restricting demand. This tax was strongly opposed by the consumers, especially the canning industry which uses large quantities of sugar in their manufacturing operations.

Sugar Tax Hinders

The effect of this tax was particularly noted in the earlier months of this year. There had been a suggestion that the regulations would be modified. This resulted in the canning producers withholding commitments on their sugar requirements until such time as there is definite word from Ottawa as to what changes would be made in the excise tax. Following the strong representations made by the canning industry, the government reduced the tax from 2 cents to 1 cent a pound. As a result of this action it is anticipated that the volume of sales for 1934 will show an increase over that reported last year.

Despite the uncertainty in marketing of sugar created by the excise tax, Acadia Sugar's earning power has been well maintained. The management have continued their policy of cleaning up the arrears of dividends on the preferred stock. These arrears now amount to about 10 per cent and it is expected that by the end of the year the amount owing on the preferred shares will be 5 per cent or less.

ACADIA TRUST

Acadia Trust Co., of Truro, N.S., has built up a large reserve in comparison with its paid-up capital. At the end of last year, the company had a paid-up capital of $200,000 and reserves of $600,000, the latter showing an increase of $100,000 over 1932, due to a transfer from surplus account.

Earnings of the company have been well maintained and the company is following the policy of keeping dividends at a nominal figure until reserve is built up to $800,000.

Assets under administration at the end of last year totalled $6,978,446, of which $5,152,875 represented estate and agency accounts. Guaranteed trust funds totalled $898,753, while the balance made up the capital account.

Net profits last year totalled $46,902, equivalent to $23.45 a share on the capital stock. Since 1931 the company has been paying a regular dividend rate of $10 a share.

ATLANTIC SUGAR

Operations of Atlantic Sugar Refineries have been conducted on a relatively high basis for many months past. The company's Saint John refinery, with a capacity of 1,300,000 pounds a day, has operated steadily, providing a profit to a large number of workers and contributing thereby to the welfare of the community.

For many years there was an active investment interest in this enterprise, but in the early part of 1932 a reorganization was carried out under which control of the company passed to new interests. This reorganization resulted in a reduction of the company's funded debt to a point permitting a resumption of dividends, after a lapse of nearly thirteen years.

Since the new interests took over control, little or no information has been given to the public with respect to the company's finances or its earning power. In 1930 and 1931 the company earned over $1,000,000 annually. It is generally understood that earnings have been well maintained since that time.

BATHURST POWER

Though sales of newsprint were the lowest of any calendar year since the company was organized, and sulphite pulp and kraft liner sales were productive of only a small profit, the income account of Bathurst Power and Paper Co. for 1933 registered an improvement over that reported for the previous twelve months. Operations were still conducted at a loss, but the deficit was only $15,258 as compared with $125,614 in 1932.

The demand for newsprint paper, while on an increasing scale, has not been reflected in Bathurst's operations, which are confined to meeting the needs of a few Maritime papers. The low price of newsprint, combined with the company's high wood costs, does not place the company in a particularly satisfactory position to take on or secure additional newsprint business.

Some time ago the company converted one of its newsprint machines to the manufacture of kraft liner board. This diversity of production has been helpful to the company but profitable operations await an improvement in the price of pulp and paper products.

Has Hydro System

In addition to its pulp and paper plants and timber limits, Bathurst also owns and operates a hydro-electric plant at Great Falls on the Nipisquit River, N.B., with an installed capacity of 15,000 h.p. Furthermore, the company owns or controls other power sites on the same river which are capable of developing 40,000 h.p., giving a total ultimate capacity of 55,000 h.p.

While operations of Bathurst can hardly be considered as satisfactory, the company occupies a unique position among the newsprint operators in that it has no bank loans and its working capital is sufficient to take care of all requirements. At the end of last year the company's investments amounted to $1,011,981, with a market value of $994,248. Current assets totalled $1,991,000, as against current liabilities of only $96,786.

CANADA ELECTRIC

Operations of the Canada Electric Co. are carried on at Maccan, N.S., and energy is distributed to Amherst, Sackville, Springhill and intervening points. The company does not issue a financial statement. There is no public interest in its securities, ownership being vested with the Central Station Power and Light Corp., part of Utilities Power and Light System, which acquired the company in 1930 from Maritime Coal, Railway and Power Co.

Since that date substantial extensions to the plant have been made, involving an expenditure of over $500,000. A new boiler was installed at this plant two years ago. It has a capacity of 755 h.p. and is equipped with all the latest auxiliary equipment and designed to burn pulverized coal. A new turbo generator of 8,500 h.p. capacity has also been installed. This makes the total capacity of this station 16,500 h.p.

Output of the company last year amounted to over 14,000,000 kw.h., of which approximately 6,250,000 kw.h. were distributed at Springhill. Amherst used 2,126,000 kw.h., while River Hebert and Joggins together used 2,087,715 kw.h. The amount of energy used by the company for its own purposes was 1,629,000 kw.h., while transmission losses totalled 1,128,000 kw.h. The balance of the output was distributed at various points, such as Maccan, Chignecto, Fort Lawrence, Sackville, etc.

CONNORS BROS.

Connors Bros., operators of the world's largest sardine canning factory at Black's Harbour, N.B., reports operations on a better basis in 1933 than was the case in the previous year. During the latter half of the season, however, sardines were so scarce that production was considerably curtailed with the result that the pack was short of expectations.

Canadian trade was much better in 1933 than in 1932. Steady improvement was shown from the beginning of the year, an improvement which was reflected in better sales in every part of the Dominion.

Better Export Trade

Justifying its prophecy of last April, the company found the export trade with Empire countries improved immeasurably when the Canadian dollar went to par or better with the £ Sterling. The Norwegian, French, Portugese and Spanish packers were no longer able to undersell Canadian packers on an equal basis, for in all these countries where the returns were measured in terms of their respective currencies, it was just about equal to the return in Canadian dollars.

Last winter the company completed repair work and put their factories in shape for the current season, which began at the beginning of last April.

Plans are for an increased pack in view of the brighter outlook in world conditions. Higher prices for tinplate, oil and other materials foretell increased prices on nearly all lines to be packed.

DOMINION STEEL AND COAL

Dominion Steel and Coal Corp., generally known as Dosco, is the most important factor in the industrial life of the Maritime Provinces, its operations extending to the manufacture of iron and steel products, production of coal, mining of iron ore and other minerals, building and repair of ships, etc.

Activities of this huge enterprise naturally have a bearing on the prosperity of the Atlantic provinces. The fact that over the past twelve months the volume of business secured has enabled the company to step up operations and thus provide for greater employment and the more extensive purchase of raw materials, has been one of the main causes for the improvement in industrial conditions in the Maritimes, more especially in Nova Scotia.

Wabana Mines Outlook

Operations of Dosco can be roughly divided into three major classifications, namely, iron ore mining, coal mining, and iron and steel manufacture. Iron ore operations are carried on at Wabana on Bell Island. Germany, the Sydney iron and steel plant, and to a lesser extent, England and the United States are the principal markets. The latter two purchase small amounts in normal years, so that operations at Wabana are dependent upon the extent of the orders received from Germany and Sydney.

Expectations are that the quantity of iron ore to be shipped this year will be substantially greater than in 1933. This expectation is based on increased demand from German importers and the prospect of delivery of a large tonnage of ore to the Sydney steel plants. Last year Sydney did not take any iron ore and the re-entry into the market of the parent company's steel mills will increase production at Wabana by 25 per cent or more.

Coal Operations Expand

Dosco's coal mining operations are conducted largely by its subsidiary, Dominion Coal Co. Through the help of Federal subventions, Dominion Coal has been able to build up a very satisfactory market for its coal in Central Canada. Already this year more than 325,000 tons of coal have been discharged in Montreal, Three Rivers and Quebec by a fleet of 20 ships. In addition, the domestic market has shown an improvement and with the extension of operations at the Sydney steel plant, indications are that coal production this year will be materially greater than it was in 1933.

Steel Division Gaining

The large part of Dosco's capital is vested in iron and steel manufacturing facilities. In the early part of last year the Dominion Government gave the company an order for 50,000 tons of steel rails for the Canadian National Railways. This action prevented a complete shutdown of the plant and encouraged the management to undertake a vigorous campaign for export business, which met with considerable success, export shipments for 1933 amounting to 25,308 gross tons, against only 237 gross tons in 1932.

Favorable exchange rates and the Ottawa Conference agreements have been of material assistance to the company in obtaining export business. At present the company has on hand orders for about 60,000 tons of iron and steel products, of which about one-half is for export. While the export business yields little profit to the company, it enables the company to maintain plant operation. With an increase in domestic business and the maintenance of the export business, the company would then be in a position to show an appreciable advance in earning power.

Dosco has many subsidiary interests, aside from the three already mentioned. It controls the Halifax Shipyards, a subsidiary which operates on a profitable basis. It has large wire and nail plants. In this connection the company recently completed a large order for wire nails for shipment to the British market.

The current position of Dominion Steel and Coal Corp. and subsidiary companies is distinctly more encouraging than it was at this time last year. For 1933, the company was able to show an operating profit of $468,045, or an increase of more than 300 per cent over the previous year. But after providing for depreciation and interest charges, there was a deficit of $408,502. This was about one-third of the deficit reported in 1932. At the same time, however, bank loans were reduced by approximately $1,500,000 to $4,324,246.

ENAMEL & HEATING

Enamel and Heating Products Ltd., with plants at Amherst and Sackville in the Maritimes and Victoria on the West coast, is one of the principal Canadian companies in its own field of operations.

Operations naturally have been affected by prevailing industrial conditions, which in turn are reflected in operating income. At the annual meeting of the shareholders last month, however, the president stated that during the first three months of 1934 the volume of business handled by the company showed a substantial increase over the corresponding months of 1933. This improvement continued throughout April and prospects for the full year are better than they have been for some time past.

The management of the company have been active in developing new products to meet the ever-changing public demands. Last year the company's efforts to establish an export trade met with a fair degree of suc-

(Continued on page 21)

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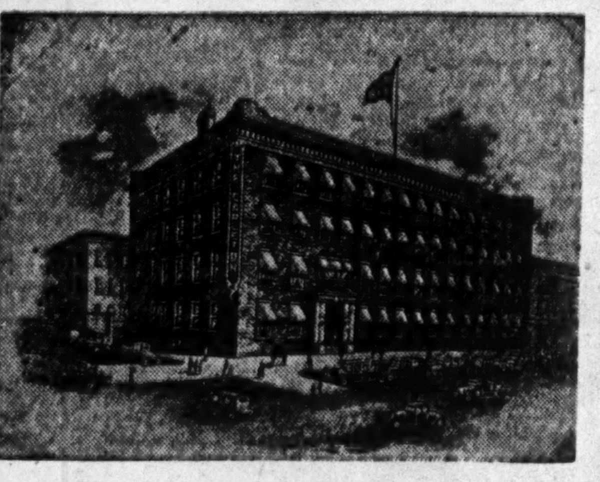

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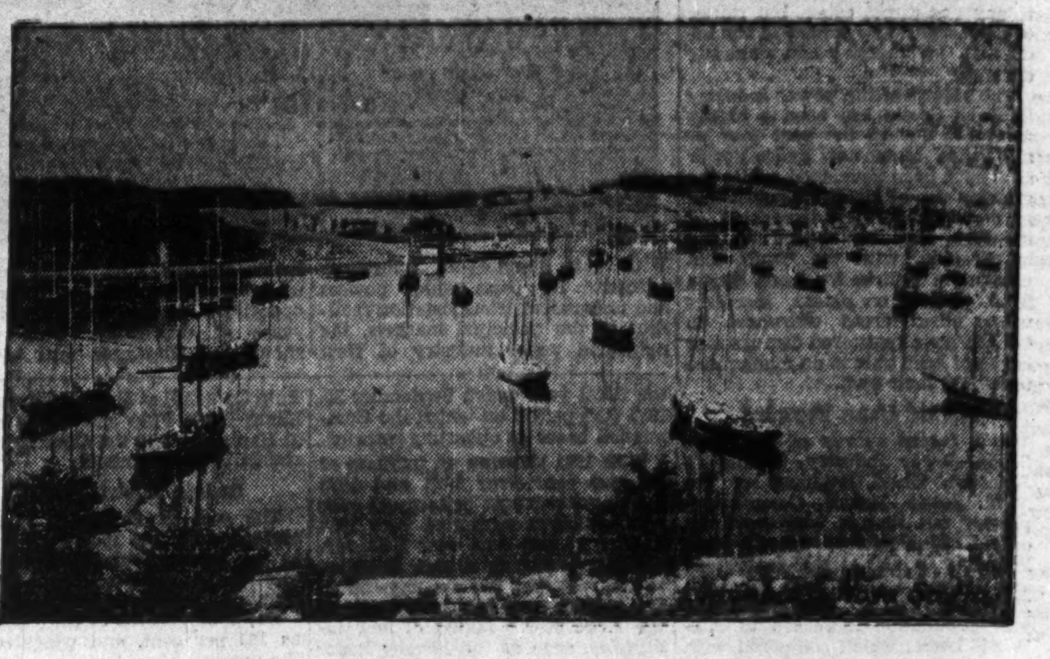

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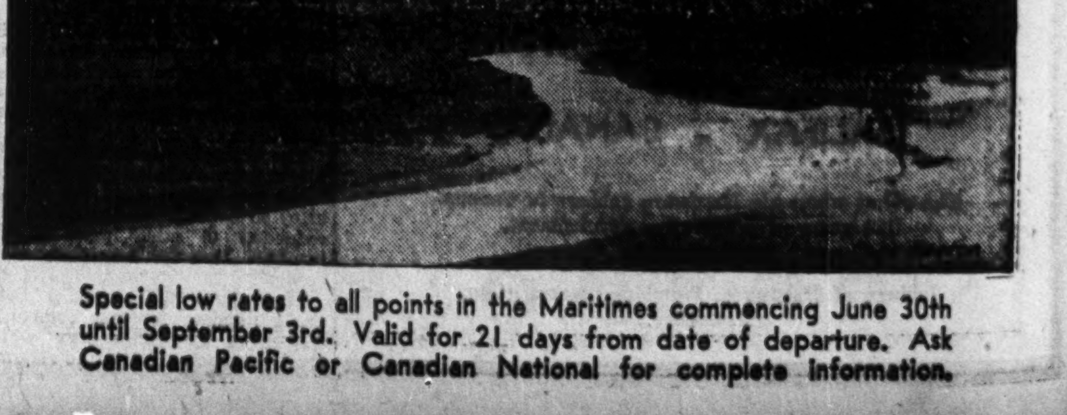
• Illustrated literature regarding Nova Scotia and Road Map may be obtained, free of charge, from J. B. Rathbone at Toronto (110 Church St.) & Montreal (Canada Cement Building).



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VARIED OUTPUT OF FARM PRODUCTS BRINGS STABILITY

Maritime Farm Production Worth $50,000,000 Annually

FIELD CROPS LEAD

Return of Better Prices Lends Encouragement to Steps Taken to Attract Settlers

Products of the farm in the Maritime Provinces had an aggregate value of over $50,000,000 in 1933. About one half of this amount was derived from field crops, somewhat less from dairy products and the balance from miscellaneous items.

From the point of view of production farm activities have been well maintained in the three Atlantic provinces. Declining values, however, have tended to restrict the aggregate and individual return, but over the past eighteen months the trend of farm product values has been upward with the result that the farmer is securing a larger return for his productive efforts.

Diversity is Helpful

Diversity of production is a feature of farm operations in the Maritimes. Dairying is the most important division of farming, but other branches are well developed. Potato growing in New Brunswick and Prince Edward Island ranks as a major industry. Fur farming also stands out. Livestock raising cannot be overlooked, while fruit growing, poultry raising, etc., are of importance.

The rank of agriculture among the economic activities of the Maritime Provinces is well illustrated by the following table showing the value of output in recent years:

	P.E.I.	N.S.	N.B.
1931 ...	$11,696,000	$24,929,000	$23,204,000
1932 ...	10,078,000	21,238,000	21,711,000
1933 ...	11,902,000	25,452,000	21,732,000

Field Crops Lead

Field crops are the major division of the Maritime agriculture industry. The returns indicate that fodder crops for the dairy herds and potatoes (for which the Maritimes have achieved an international reputation) are the ranking products. The leading field crops and their value over the past three years by provinces is set out hereunder:

	1931	1932	1933
	$	$	$
Prince Edward Island			
Wheat	279,000	284,000	390,000
Oats	1,392,000	1,118,000	1,469,000
Potatoes	1,221,000	1,658,000	2,444,000
Turnips, etc.	359,000	587,000	1,455,000
Hay & clover	3,267,000	2,378,000	2,272,000
Nova Scotia			
Oats	1,453,000	1,386,000	1,579,000
Mixed grains	65,000	94,000	120,000
Potatoes	973,000	1,485,000	1,773,000
Turnips, etc.	673,000	1,210,000	1,482,000
Hay & clover	6,640,000	5,760,000	6,194,000
New Brunswick			
Oats	2,553,000	2,236,000	2,219,000
Buckwheat ..	429,000	475,000	561,000
Potatoes	1,585,000	1,928,000	2,697,000
Turnips, etc.	440,000	1,030,000	882,000
Hay & clover	5,320,000	6,519,000	5,306,000

Help for Settlers

No effort is being spared by the Maritime Province in encouraging the back-to-land movement. Though the three governments have worked quietly, nevertheless they have been able to accomplish a great deal of effective work in placing the proper type of man on land which gives them every opportunity to make a success of farming.

New Brunswick's colonization efforts have been mainly directed to placing families on specially-selected farms. Great care is exercised to see that the applicant for assistance is fully qualified. Several hundred families have been placed and the results to date have encouraged the government to continue its efforts.

Advances Are Made

Nova Scotia has directed its colonization efforts along two lines. It conducts a policy similar to that of New Brunswick in placing families on the land. The government has gone even further and created a fund for the advancing of loans to qualified applicants who wished to set up on a farm, or wished to carry out improvements or extensions to their present holdings.

It is too early to determine how the second policy is working out. Loan boards have been established in different parts of the province and it is expected that a number of Nova Scotians will be assisted in securing a farm home of their own under terms which are especially advantageous to the borrower.

Prince Edward Island's colonization efforts have not been on the same scale as in the neighboring provinces. The permanent settlement of farm lands, however, is being carried out methodically with most encouraging results.

Conditions Are Favorable

Soil and climate of the Maritime Provinces are particularly well adapted to farming in all its branches. Probably nowhere else in the Dominion is there such a diversity of farm activities. Conditions are ideally suited to the growing of field crops, dairying, fur farming, fruit growing, livestock raising; in fact, every division of farm life.

While field crops remain the staple operation of farm operations in all three provinces, development of other branches has reached a high level. Dairying is carried on in every section of the Maritimes and the value of butter, cheese, milk, etc., produced each year compares very favorably with the value of field crops.

Fruit Growing Extensive

Fruit growing is another branch of agriculture carried on in virtually every farming community. Aside from excellent growing conditions, the Maritimes have definite advantages in respect to marketing their fruits in the United Kingdom, which has been, in the main, a principal cause for the growth of fruit growing.

While all provinces engage in this form of farm activity, its greatest development has taken place in the Annapolis Valley of Nova Scotia. This is the centre of apple growing in Canada and is one of the most productive areas in the world. The annual production normally exceeds 1,000,000 barrels of apples, nearly all of which are shipped to the British market.

At present only about 20 per cent of the arable land in the Valley is being utilized for apple growing. It is contended that the British market can absorb all the apples the Valley can produce. Whether or not this is the case, the fact remains that Annapolis Valley apples enjoy great favor in the British market.

Room for Expansion

Livestock raising, while an important branch of agriculture, has not developed to the same proportions as in other parts of the Dominion. This is not due to any unfavorable conditions, but simply to the smaller size of farm holdings and the more profitable returns from other forms of activity. The number of livestock in the Maritimes has not varied much from year to year and, with few exceptions, the raising of farm stock is regarded as a subsidiary operation to other and more important operations.

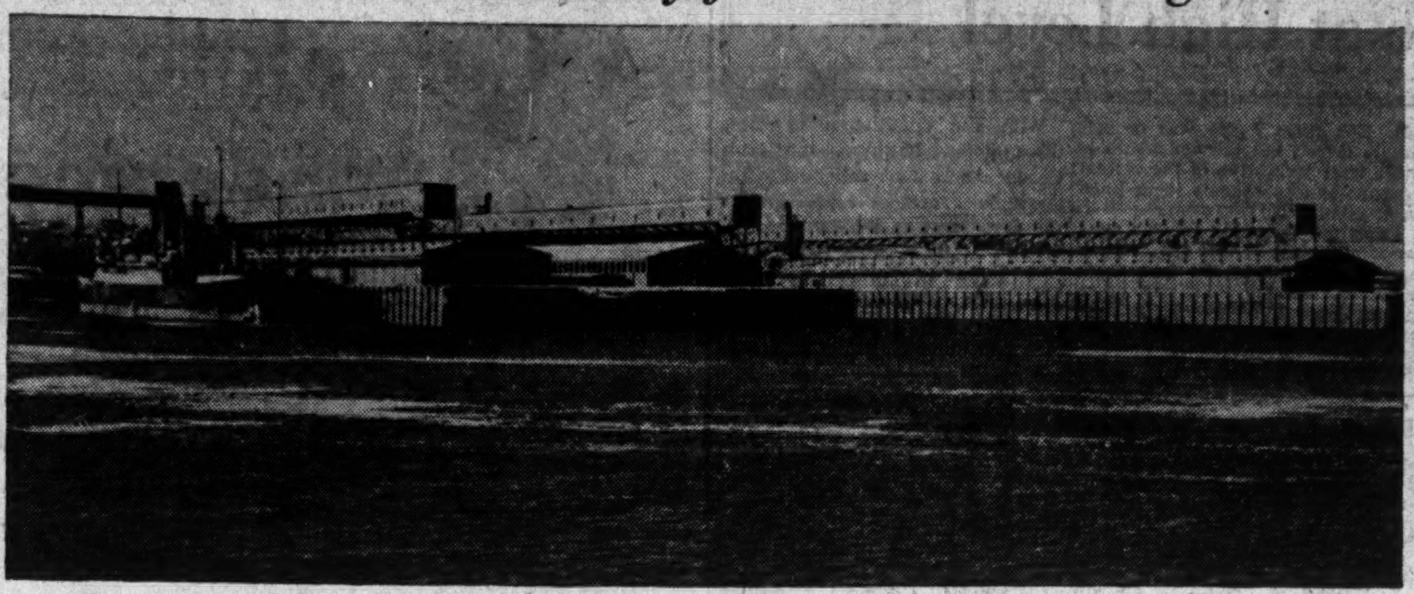
Fur Farming Important

Fur farming, originating in Prince Edward Island, has achieved an important niche in Maritime farm life. Conditions have been found to be ideally suited for the raising of fur bearing animals. The long experience of the Maritimes with this type of work has enabled them to successfully establish fur farming on a permanent basis. While the price of pelts and breeding stock is relatively low in comparison with the boom period some years ago, all three provinces secure a substantial revenue from this source.

Poultry farming is engaged in extensively in all three provinces. Export markets being limited, production has been restricted to domestic demands. With a further growth in population, this branch of farming is capable of much greater development.

The diversity of farm operations in the Maritimes has been the principal reason why this field of endeavor has been less subject to the wide fluctuations experienced in other lines. Nearly all that the farmer produces is consumed at home. A small export business and inter-provincial business is carried on in certain products, but the volume and value have little bearing upon general results.

Maritimes Provide Gateway for Canada's Foreign Trade



In the last few years the ports of Halifax and Saint John have come to play an increasingly important part in handling the import and export trade of the Dominion. For long many held the view that the Maritime ports were of value only during the winter months when the St. Lawrence route was not navigable. This view has changed, for the port authorities of Halifax and Saint John have shown that the ports are of value in offering all-year round services. This view shows part of the extensive facilities available at Saint John. Over two years ago the port experienced a devastating fire which badly crippled operations. Work was rushed on the building of new piers and sheds in what is known as the Navy Island section. These works were completed a short time ago, giving Saint John equipment as modern as is to be found in any port on the North Atlantic seaboard.

Fish Returns Up $302,751 First Quarter This Year

Maritime fishermen netted $302,751 more in the first four months of 1934 than in the same period last year, according to D. H. Sutherland, chief supervisor of the Eastern Fisheries Division of the Federal Government. Prevailing prices were from 20 to 25 per cent higher than in 1933. Added to this is the prospect that the summer catch will be appreciably larger than a year ago. For the first four months this year there had been an increase of over 7,500,000 pounds in the catch.

Though the returns to date have been encouraging, fishery officials state that the improvement will be more apparent with the summer catch, especially of lobsters, the value of which has increased from 75 to 100 per cent. The increase in lobster prices has been due to the rise in the English pound, an increased market in the United Kingdom and stabilization of export market conditions. The demand for canned lobsters from the States has increased, while Europe is taking larger quantities this year.

Fisheries officials expect that the largest gain in the value of the catch will take place during the current quarter. The increase of $302,751 reported in the first quarter was for the spring catch alone, which only included New Brunswick smelts, ground fish and lobsters.

SAINT JOHN RIVER POWER

Saint John River Power Co., a subsidiary of Gatineau Power Co., owns and operates one of the largest hydro-electric power developments in the Maritime provinces. The generating station at Grand Falls, N.B., has an installed capacity of 80,000 h.p.

The company is primarily a wholesale distributor of electrical energy. About 20,000 h.p. is sold en bloc to Fraser Companies for use as motive power in its mills. A small amount of energy is retailed at Dalhousie and one or two other points. The company's principal customer, however, is the New Brunswick International Paper Co., whose large pulp and paper mill at Dalhousie requires nearly 60,000 h.p. annually.

No financial statements are issued by the Saint John River Power Co., as its income account and balance sheet are incorporated with those of the parent company. The fact that virtually all its power is sold at fixed rates under long-term contracts means that there is little variation in its income from year to year. Its securities are owned, with the exception of a small block of preferred stock, by the Gatineau Power Co., which in turn is the operating company for Canadian Hydro-Electric Corp.

N. B. Gas and Oilfields Develop Natural Resource

New Brunswick Gas and Oilfields, of Moncton, supplying natural gas to Moncton and other places near the Petitcodiac reports a decrease in production for 1933, amounting to approximately 5 per cent, and attributed to the slackness in industrial conditions because to a large extent the natural gas is supplied to manufacturers. The company also operate a small refinery to take care of the crude oil coming from some of their wells, and it is noted that although the quantity of oil handled in this plant is not very large, running to 307,839 gallons last year, it is 58 per cent over that of the preceding year.

The total value of the oil and gas produced by the company last year was $133,455, as against $140,529 in the preceding twelve months.

Farm Land Values

Farm lands in the Maritimes have an average value of $32 an acre in Prince Edward Island; $26 an acre in Nova Scotia and $24 an acre in New Brunswick.

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Records of Nova Scotia Government Department of Mines show:
4.050 tons of ore crushed returned 1.271 ounces of gold; an average of approximately one-third ounce to the ton, or at today's value, $11.00 per ton.

TANGIER
Records of Department of Mines at Ottawa show:
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This photograph, taken from top of main shaft head frame, shows view of mill and auxiliary shaft operations.

Maritime Income at High Level

Productive efforts of the Maritime Provinces have resulted in the maintenance of provincial income at a relatively high level. The drop in commodity values, especially on products of the farm, forest and sea, of course, has had an adverse bearing on revenues. The increase in production, in certain instances, however, has tended to keep up revenues. The increase in production, in certain instances, however, has tended to keep up revenues though the margin of gain has not been as great as in other years.

Statistics relating to the annual output of the three Atlantic Provinces over the past two years are in course of compilation by the Federal Government and will not be made available for some time. In 1931, the last year for which complete returns are available, the Government reports the annual production of the three provinces as having a net value of around $200,000,000. The gross figure was considerably larger, but the net return is more truly indicative of the annual revenue as all duplicate items have been eliminated.

From the following tabular matter it will be seen that the drop in agricultural values has had more effect on revenue than any other single item. The decline in new construction also is apparent. Slackness in the lumber industry hit New Brunswick.

With the elimination of these three items, however, the table clearly shows that collectively the Maritime Provinces came through the early part of the business depression in good style. And if consideration is given to the decline in commodity values, it is apparent that the Atlantic Provinces fare better during periods of unsettlement than any other economic section of the Dominion.

NET VALUE OF PRODUCTION IN THE MARITIME PROVINCES FROM 1931 TO 1933

	Prince Edward Island			Nova Scotia			New Brunswick		
	1931 $	1930 $	1929 $	1931 $	1930 $	1929 $	1931 $	1930 $	1929 $
Agriculture	8,685,000	12,776,369	19,650,000	18,925,000	25,744,584	30,159,723	16,693,000	23,460,377	28,346,009
Forestry	555,903	584,142	582,250	9,774,909	11,134,268	9,707,296	15,342,558	21,965,180	24,828,864
Fisheries	1,078,901	1,141,279	1,297,125	7,986,711	10,411,202	11,427,491	4,169,811	4,853,575	5,935,635
Trapping	2,283	2,896	14,598	231,138	382,975	238,933	111,992	105,670	194,223
Mining	......	......	......	21,080,746	27,019,367	30,904,453	2,176,910	2,191,425	2,439,072
Power	270,445	227,177	203,185	3,854,158	3,675,905	3,087,911	2,931,097	2,808,573	2,208,668
Construction	121,420	728,000	407,745	4,500,535	4,704,700	9,809,106	6,341,855	7,193,550	4,424,225
Custom & repair	150,000	150,000	203,000	2,700,000	2,718,000	2,544,000	1,200,000	1,250,000	1,532,000
Manufactures (a)	1,787,209	1,708,139	1,773,894	37,391,253	41,296,743	42,786,293	29,577,962	29,570,896	30,980,431
Grand total	12,651,161	16,635,118	23,452,390	106,444,450	114,402,720	129,380,194	78,545,185	78,772,589	87,382,143

(a)—Less duplication.

KEY INDUSTRIES IN MARITIMES RECORD GAIN

Noticeable Improvement Among Primary Producers

CAPITAL INCREASES

Returns for 1932 Reflect Slack Operations and Lower Values

Manufacturing operations in the Maritimes during the first half of 1934 were probably on a better basis than for any corresponding period since 1929. There has been no rapid change in the industrial situation, but the pick-up in conditions noted about the middle of last year has continued without abatement.

The smaller localized industries have been able to hold their own during the depression. The larger units, engaged in the manufacture of products which have a national and international distribution, have experienced sharp restrictions of output. In the last six to nine months, however, the major industries have been making a strong comeback. This is especially true in the iron and steel business, which for many months had been doing little or nothing. Oil refining, sugar and pulp and paper industries are operating at or near capacity.

The lumbering trade is now more active than at any time for several years past. This is due in part to the Ottawa agreements and, in part, to the more satisfactory exchange situation which helps the marketing of Maritime lumber in the United Kingdom.

Conditions Are Better

All in all, the industrial situation in the Maritime Provinces is as satisfactory, if not more so, than in any other section of the Dominion. All companies, of course, have not shared in the improvement, but taken as a whole, manufacturers in the Maritimes are operating on a broad scale.

It is difficult to say what the trend will be over the next six months, but preliminary indications are that the improvement already reported will carry through for the balance of the year. Seasonal changes, of course, will affect manufacturing operations, but such changes are likely to be for the better.

Output Worth $101,000,000

Judging by the interim reports on operations last year, expectations are that the Dominion Government report will show manufacturing production on a scale equal to, and possibly a little better, than that reported in 1932. During the latter year the output of manufactured products was valued at $101,390,415, a decrease of $28,635,482, or over 22 per cent, compared with the year 1931. The industries, however, were not as severely affected as these figures would indicate. Drastic declines in the value of raw materials with consequent decline in the value of finished products accounted for a great part of the decrease.

The cost of materials used in 1932, for example, was $45,646,118, or about $16,000,000 less than in the preceding twelve months.

Drop in Plants

The number of manufacturing establishments in operation in the Maritime Provinces in 1932, the last year for which complete returns are available, was 2,519. This compares with 2,611 plants in the previous year. It should be noted, however, that the number of plants in operation in 1932 was substantially greater than in any other year on record, with the exception already noted, namely, 1931.

These plants gave employment in 1932 to 26,276 workers, a decline of 4,176 from the previous year.

In its report, the Bureau of Statistics points out that the large decrease in the number of employees was not entirely due to the decline in manufacturing production. The decrease was due in part to a change in method of computing the average annual employment of wage earners. Between 1925 and 1930 the average was obtained by summing the averages of individual plants, based on the number of months in actual operation, and not by dividing by twelve the sum of the monthly employment figures. In 1931, a change was made to the old method, whereby the aggregate of the monthly figures is divided by twelve. This method gives the man year that each plant operates. The change in method, therefore, affects the average annual employment as well as the average wages paid in seasonal industries, such as fruit and vegetable canning, fish canning, sawmills, etc.

The gross value of products manufactured in the Maritimes for 1932, as already pointed out, was $101,390,415. Of this amount, the cost of materials used totalled $45,646,118 and salaries and wages paid to employees $22,548,783.

Pulp and Paper First

Of the leading industries in the Maritimes pulp and paper occupied first place in 1932, with a gross value of production amounting to $16,873,793, or roughly 15 per cent of the total of all industries. For the first time in history, central electric stations had a greater output value than fish canning and curing establishments. Primary iron and steel also slipped badly in 1932, now ranking as the eighth most important industry in the Maritimes.

Ordinarily the primary iron and steel ranks among the first three industries.

Details of Leaders

Particulars of the leading manufacturing industries of the Maritime Provinces in 1932 follow:

Industries	Establishments No.	Capital Invested $	Cost of Materials Used $	Gross Value of Products $
1. Pulp and paper	11	56,136,450	5,406,480	16,873,793
2. Central electric stations	128	60,461,834	....	7,971,224
3. Fish canning and curing	446	5,431,256	4,660,162	7,104,835
4. Butter and cheese	101	2,574,485	2,616,324	4,025,119
5. Sawmills	922	8,579,304	2,176,590	3,835,021
6. Biscuits, confectionery, cocoa, etc.	20	6,296,798	1,282,497	3,152,850
7. Printing and publishing	56	3,675,342	492,771	3,032,864
8. Primary iron and steel	6	17,132,669	1,259,925	2,580,265
9. Railway rolling stock	5	8,613,563	1,219,404	2,518,141
10. Cotton yarn and cloth	5	6,488,746	859,809	2,512,403
11. Other leading industries*	4	17,061,698	10,686,836	16,509,542
Total, leading industries	1,704	192,452,145	30,660,798	70,116,057
Total, all industries	2,519	246,961,070	45,646,118	101,390,415

* Includes sugar refineries and petroleum products.

Industry in P.E.I.

In the break-down of returns, the Bureau reports that manufacturing establishments on Prince Edward Island in 1932 numbered 274, a decrease of 16 from the previous year. They had a capital investment of $3,867,195, employed 1,147 persons, who were paid $725,237 in wages; while the cost of raw materials used amounted to $1,949,038, with a value of finished merchandise produced totalling $3,566,968.

Prince Edward Island, in common with other sections of Canada, was affected by the prevailing decline in industrial activity experienced since 1930. Compared with 1931, there was a decrease of $569,608, or 13.8 per cent in the value of production, 23 per cent in the number of persons employed and $83,885, or 10.3 per cent in the amount paid out in salaries and wages.

The two most important industries of the province are fish-curing and butter and cheese making. These two industries accounted for over 41 per cent of the entire production in 1932. All told, it is noted that the production of various animal products accounted for about 49 per cent of the total for all groups. Of the other leading industries on the Island, Central Electric Stations, sawmills, printing and publishing, planing mills, bread and bakery products, are among those listed in the first ten.

1,400 Plants in Nova Scotia

In dealing with Nova Scotia, the Bureau reports of establishments in operation in Nova Scotia in 1932 numbered 1,404. The value of their products amounted to $50,351,054, with a capital invested of a value of $125,639,707. These establishments also furnished employment to 13,142 persons, who received $11,199,861 in salaries and wages and paid out $22,920,430 for material. The downward trend of manufacturing activity in Nova Scotia commenced in 1930 and continued during 1932. Compared with the previous year, the number of establishments reporting decreased by 45, the capital invested by $4,185,020, the number of persons employed by 3,033, the salaries and wages paid by $3,681,812 and the value of production by $20,328,449, or nearly 29 per cent.

Fisheries in the Lead

The principal industry in Nova Scotia in 1932 from the standpoint of value and production was fish canning and curing. The value of production amounted to $4,633,955, compared with a value of $5,901,891 in the previous year. This is followed by central electric stations with an output valued at $4,356,412, pulp and paper, $4,050,523 and primary iron and steel, $2,580,265.

The primary iron and steel industry was the most severely affected by the decline in manufacturing activity in 1932. Compared with previous years, this industry dropped from first to fourth place. The number of persons employed decreased from 8,149 to 612, salaries and wages from $1,880,158 to $687,511, the value of production from $8,215,412 to $2,580,265.

The Bureau further reports that the vegetable products group accounted for $9,880,786, or 19.6 per cent of the entire output of manufactured products during 1932. Wood and paper products were next with a production of $9,762,508, followed by non-metallic mineral products, with $7,421,888, animal products $7,368,544 and iron and its products, $4,844,599. It is interesting to note that iron and its products group accounted for $15,151,436, or 21.5 per cent of the entire output during the preceding year.

New Brunswick's 841 establishments reported their ouput in 1932 as having a value of $27,472,393, $7,737,425, or 14 per cent, less than production in 1931. The number of plants in operation declined by 31, while the capital investment dropped from $128,859,472 in 1931 to $117,454,168 in 1932, a decrease of 9 per cent. The total number of employees was 11,987, or 1,120 fewer than in 1931. Salaries and wages also decreased by $2,083,212, the total being $12,706,897 in 1931 and $10,633,685 in 1932. The cost of materials used dropped from $25,631,856 in 1931 to $20,776,650 in 1932.

In 1932 the pulp and paper industry led all others in value of production, with an output amounting to $12,823,270, or 27 per cent of the total. Central electric stations followed with an output valued at $3,340,257; sawmills rank third, with a production of $2,208,916, and cotton yarn and cloth rank fourth, with an output of $2,006,402.

Production of wood and paper products led all industries in New Brunswick during 1932 by a wide margin, the value of the output being $18,237,095, or over 38 per cent of the total. The vegetable products group followed with an output of $11,958,827, animal products, with a production of $4,390,998, came third and textile products came fourth, with an output of $3,409,998.

Saint John to the Fore

For the first time in many years, Halifax has had to give precedence to another city as the most important industrial centre in the Maritime Provinces. During 1932 Saint John manufactures had an output valued at about 40 per cent more than Halifax, having amounted to $14,083,061 as against $10,914,633 for Nova Scotia's capital. Dartmouth, which ordinarily ranks second among the leading industrial cities, now ranks third. Moncton and Sydney have changed places, the former now ranking fourth and the latter fifth.

The relative importance of the different industrial centres of the Maritime Provinces is set forth in the following table.

Industries	Establishments No.	Capital Invested $	Cost of Materials Used $	Gross Value of Products $
Saint John, N.B.	127	16,394,270	8,128,842	14,083,061
Halifax, N.S.	114	17,544,126	4,292,967	10,914,633
Dartmouth, N.S.	12	12,105,620	6,858,853	10,653,525
Moncton, N.B.	48	6,984,411	2,615,682	5,207,762
Sydney, N.S.	32	24,307,570	1,819,047	3,971,800
Liverpool, N.S.	8	11,006,290	1,136,260	3,661,540
Edmundston, N.B.	8	9,672,773	1,323,788	2,566,954
Truro, N.S.	28	3,096,791	1,322,250	2,521,349
St. Stephen, N.B.	14	2,178,491	915,238	1,952,101
Charlottetown, P.E.I.	35	1,716,051	677,870	1,422,336
Bathurst, N.B.	12	8,153,748	540,542	1,151,914
Milltown, N.B.	3	2,009,711	428,745	1,086,718
Amherst, N.S.	22	3,294,422	441,446	981,482
New Glasgow, N.S.	26	2,664,054	289,544	948,696
Yarmouth, N.S.	27	2,522,156	359,452	939,593
Fredericton, N.B.	28	1,116,798	390,650	938,529
Windsor, N.S.	11	1,148,432	441,290	748,177
Newcastle, N.B.	13	1,483,410	426,991	612,722
Pictou, N.S.	9	476,683	307,141	568,342
Sussex, N.B.	9	503,431	283,543	511,651
Total, leading cities and towns	586	128,379,238	33,000,141	65,442,885
Total, for the Maritime Provinces	2,519	246,961,070	45,646,118	101,390,415

Note:—Statistics of cities and towns do not include central electric stations which are shown by provinces only.

Lumber Trade Takes On New Lease of Life

Lumber exports from New Brunswick have taken on a new lease of life largely as a result of the reciprocal trade agreements entered into at the Imperial Economic Conference held in Ottawa during the summer of 1932. New outlets opened up in the United Kingdom have created a market for many millions of feet of sawn products—a market from which the province had had little business for many years.

During the Government's fiscal year ended October, 1933, 335 vessels loaded with forest products cleared from New Brunswick's 17 ports. These included 201 vessels carrying 114,500,000 feet of lumber and 111 vessels carrying 73,299 cords of pulpwood. The balance was made up of lath, shingles, spoolwood and fuelwood. The greater part of the lumber was shipped to the United Kingdom.

Salmon Fishermen Is "Big Business"

Salmon fishing in New Brunswick is the lure that draws fishermen from all points in Canada, the United States and even as far away as the United Kingdom. It has been estimated that these fishermen have invested in camps, equipment, etc., nearly $2,000,000 and their annual expenditures while in the province during the fishing season close to $500,000.

Last year the total number of boxes of salmon expressed by sportsmen from stations at Kedgwick, Matapedia and Upsalquitch, in the heart of the salmon fishing area, totalled 2,905. This was in excess of the number of boxes of salmon shipped in 1928 or 1929, but not quite as large as the number shipped in 1930.

Farming Debt Of Maritimes Relatively Low

No better evidence of the solidity of farm life in the Maritimes is to be found in the report of the Dominion Bureau of Statistics covering ownership and farm debt in rural communities. Approximately 94 per cent of the farmers in Prince Edward Island, New Brunswick and Nova Scotia own their own farms, as compared with 80 per cent for the Dominion as a whole.

Farm debt is relatively low in the Maritimes. About one third of the farmers in Prince Edward Island have mortgaged their farms up to about 11 per cent of the value. In Nova Scotia less than 11 per cent of the farms are mortgaged, while the debt amounts to only 8 per cent of the total value of all farm property in the province. New Brunswick reports that 17.45 per cent of her farms are mortgaged but only to the extent of 8.45 per cent of the value of all farm property within the province.

The position of the farmers in the three Maritime Provinces, in respect to holdings, value of land, buildings, farm mortgage debt, taxes, etc., is set forth in detail on page 25 of this issue.

Invested Wealth $2,000,000,000

The invested wealth of the Maritime Provinces totalled nearly $2,000,000,000, according to returns compiled by the Dominion Bureau of Statistics. This wealth was distributed as follows: Prince Edward Island, $164,000,000; Nova Scotia, $911,000,000, and New Brunswick, $788,000,000.

Pulp and Paper Important

Pulp and paper manufacturing is the leading industry in New Brunswick and third in importance in Nova Scotia from the point of view of annual production values.

Fish Canning Leads

Fish canning and curing ranks first among the industries of Prince Edward Island. It holds the same position in Nova Scotia industries and is fifth in importance in New Brunswick.

Great Moose Country

Last year 684 moose were reported as killed in New Brunswick hunting grounds, an increase over the previous year, despite the shortening of the season by one month. The kill of moose by residents is reported at 655, while non-resident hunters accounted for 29.

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faces the future with CONFIDENCE!

Building Permits up 99% for first five months of 1934 - Agricultural Shipments up 28% over 1932 - Lumbering up 100% - Minerals up 20% - Hides and Leather up 87% - Coal up 50.5% - - . - -

GENERAL BUSINESS
On the basis of the first five months of 1934, New Brunswick is amply justified in facing the future with confidence. Building contracts awarded were 99% greater than for the corresponding period of 1933. Commercial failures declined, bank debits increased—this improvement in general business reflecting the progressive expansion in New Brunswick's industries.

AGRICULTURE
Favoured by climate and soil, New Brunswick consistently shows a considerably greater yield per acre than the average for Canada. Agricultural products marketed in 1933 showed a 28.5% increase over 1932. Potato shipments increased by 42.5%. The apple industry continued its steady progress, and further development is confidently predicted.

LUMBERING
New Brunswick's Lumber Industry gives promise of an all-time record in 1934. Exports have doubled within the last 12 months. Prospects in the United Kingdom Market are the most favourable in many years and increased shipments to northwestern ports of the British Isles have already been arranged. Pulpwood operations are approximately the largest in the history of the province, New Brunswick Forest Products finding a ready market at home and abroad.

FISHERIES
An enhanced return to the fisherman has been a feature of the opening months of 1934. The total catch in April, 1934, was 15.8% greater than 1933, while the value rose 65%! The sardine industry, in which New Brunswick leads the continent, reports a triple increase in quantity handled during April, and the return to the fisherman increased over 468%!

MINERAL PRODUCTION
A spectacular rise in mineral production occurred during 1933 and shipments of coal, gravel, building stone and salt registered a 20% increase in tonnage. Coal itself registered a 50.5% increase. Lucrative opportunities await the prospector and investor.

MANUFACTURING
Enjoying the advantages of an all-year port, favourable freight rates, close proximity to markets, ample labour and power supplies, New Brunswick continues to attract an increasing number of far-sighted manufacturers. Carloadings increased by 8% in 1933 while inbound and outbound trans-Atlantic freight showed increases of 7.3 and 9.6% respectively. Shipments of edible packing house products increased by 67%, and hides and leather marketed increased by 87%!

INVESTMENTS
New Brunswick obligations—governmental, municipal and industrial—continue to enjoy preferred attention with the investing public. Their standing reflects the stability of the Province and the investor's confidence in its future.

SPEND YOUR HOLIDAYS IN NEW BRUNSWICK
Why not come and see New Brunswick's potentialities at first-hand? New Brunswick has everything to give the vacationist.

Official road map, illustrated booklets and full information on any of the Province's activities will be gladly sent free.

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Betterment In Conditions Seen Among Maritime Industries

(Continued from page 18)

cess and it is hoped that this type of business, together with the increased domestic trade, will permit of satisfactory operating conditions in 1934.

Due to earlier difficulties in financing, the financial position of the company is not as strong as it might be, though it is noted that there has been a slight but steady improvement in the last three years. In 1933 the company had an operating loss of $40,483, or about $9,500 less than in the preceding twelve months.

GENERAL FINANCE

Since its establishment three years ago, the General Finance Corp. of Halifax reported progress. This company was formed for the purpose of carrying on a general finance business much along the lines of the Morris plan which has been extensively developed in the United States and parts of Canada. Starting with the original office in Halifax, the company has spread to other parts of the Maritimes, and now has subsidiaries in operation in Truro, Kentville, Yarmouth, Mahone Bay and Moncton.

The annual financial statement of General Finance Corp. as at February 28, 1934, showed assets totalling $163,111, of which $99,702 represented loans made to over 2,000 individuals. The capital stock of the company consists of two classes of preferred and no par value ordinary shares. Paid up capital amounted to $143,526. The latter figure compares with $106,704 at the end of the 1933 fiscal year.

Earning power of the company has kept pace with the increase in capital. In 1933 General Finance reported a gross income of $15,218, while in 1934 gross revenue totalled $24,033. After providing for all prior expenses, there was a net profit for the past fiscal year amounting to $11,278, or nearly double that reported in the previous year.

GENERAL TRUST

General Trust and Executor Corp. is one of the newer financial institutions in Nova Scotia. Since its formation five years ago, the company has made satisfactory progress. The company has an authorized capital stock of $300,000, of which $250,300 has been subscribed.

Aside from the company's account, the balance sheet for the year ended February 28, 1934, shows guaranteed trust accounts amounting to $159,251, against which guaranteed investment certificates have been issued. These certificates are secured by first mortgages on real estate. Estate, trust and agencies' accounts total $452,781, which is invested in mortgages, bonds and other prime securities.

Though the company has only been in operation a few years, its earning power has developed along satisfactory lines. The last report shows an income of $12,880, after deducting all management expenses and depreciation on the corporation's head office building. No dividends have been paid on the capital stock to date and the profit and loss account now shows a credit balance of $27,984.

MARITIME TELEPHONE

Steady improvement in operations and earnings has been experienced by Maritime Telegraph and Telephone Co. since the beginning of the year. A long succession of monthly declines in the number of stations installed was checked at the end of the first quarter of this year. Since that time both the number of stations installed and the volume of toll traffic have shown very satisfactory increases, with the result that the outlook for the current year is considered more hopeful than at any time in the last three years.

Operating economies enabled Maritime Telegraph and Telephone to cover all its charges in 1933, while the sale of $500,000 of general refunding bonds cleared up bank advances and bills payable and generally strengthened the working capital position.

Stations Again Increase

Telephones in service last year showed a decrease, installations at the end of 1933 totalling 37,868 compared with 39,040 at the close of the previous year. Further declines were noted in the early months of this year, touching a low of 37,695 at the end of March. At the end of the following month the number of telephones installed had increased to 37,802.

Operating revenue of $1,680,308 in 1933 represented a decline of $79,501 from 1932. This loss was distributed as follows: three-fourths to exchange service revenue and one-fourth to long distance revenue.

No Major Expenditures

During the current year the company does not anticipate any major capital expenditures. Work will be carried out, however, in extending the company's rural telephone systems.

Clear up Obligations

As regards the finances of the company, the sale of $500,000 of long term bonds enabled the company to strengthen its working capital position. At the end of 1932, Maritime Telephone owed the Canadian Bank of Commerce $372,739 and had outstanding notes payable amounting to $300,000. These obligations were cleared up out of the proceeds of the recent bond issue. At present the company's funded debt totalled $3,000,000, while the capital stock remains unchanged.

CENTRAL TRUST

Central Trust Co., Moncton, N.B., reported in 1933 assets under administration totalling in value $3,311,413. Of this amount, estates under administration aggregated $3,022,665 and guaranteed trust funds $159,754. Comparative figures for other years are not available.

The company has a paid-up capital of $100,200, upon which it is paying a regular dividend of $6 a share.

MERSEY PAPER

Mersey Paper Co., owning and operating a pulp and newsprint enterprise at Liverpool, N.S., has been one of the few newsprint operators on the American continent to maintain capacity operations over the past two years. Due to its location on tidewater, low cost power and a favorable wood supply, the company has been in a position to meet competition and to secure for itself a volume of business permitting production which at times has exceeded the rated capacity.

Like other companies in the newsprint business, however, Mersey Paper has suffered from the low price of newsprint. This has not prevented the company from operating on a profitable basis. Since its establishment in the latter part of 1928, the company has been able to take care of interest on its bonds and loans, as well as setting aside a substantial amount for depreciation. If the manufacturers are successful in securing an increased price for newsprint, Mersey Paper will then be able to show substantial earnings on its preferred and common stock.

Mersey Paper Co. was brought into being around the middle of 1928.

The construction of its mill was begun shortly after incorporation, and the first merchantable newsprint came from the machines on Nov. 27, 1929.

Has Wide Market

Mersey Paper markets its product in the Maritimes, Great Britain, Australia, New Zealand, the West Indies, the United States and other foreign countries. Shipments to the Atlantic seaboard are handled by the company's own fleet of boats, while specially chartered steamers are used for other foreign shipments. In addition rail transportation is used extensively.

MINAS BASIN PULP

Minas Basin Pulp and Paper Co. operating at Hantsport is one of the few pulp manufacturing enterprises in Nova Scotia. At one time there were a number of small units engaged in the manufacture of pulp, but the change in the American pulp and paper situation necessitated the closing down of the majority of these units. Minas Basin, however, continued to operate and the high quality of its pulp assured a ready market in the United States.

In recent months the management has undertaken to diversify production. To that end the company has constructed a small plant for the manufacture from pulp of paper plates, cups and similar articles for distribution throughout Canada and the United States. A subsidiary company, known as the Canadian Keyes Fibreboard Co., was incorporated and the new plant brought into operation early this year.

MOIRS

Operations of Moirs Ltd., of Halifax, one of the Dominion's largest manufacturers of chocolates and confectionery, were conducted at a loss in 1933, but the hope is held out that business in 1934 will permit the company to break even. Sales during the current year to date have been satisfactory, but much will depend upon the volume of business received for the fall and Christmas trade.

In business for more than a century, this company has built up a national and international business for its products. From 1925, when the company changed from private ownership to a joint stock enterprise, until 1931, an ambitious line of expansion was undertaken. Manufacturing facilities were greatly enlarged, but sales did not keep pace.

Difficulty was encountered in meeting the additional burden imposed on its earnings by the increased interest charges brought about by the heavy capital expenditure, and at the beginning of last year it was found that the company was unable to meet its obligations. Continued provision of funds for interest and sinking fund on the bonded debt would have impaired the liquid position of the company to such an extent as to jeopardize future operations. Accordingly, a plan of reorganization was presented to the bondholders which provided among other things, for a change in management and easing the burden of funded debt charges. This plan was approved by the security holders.

MONCTON TRAMS

Moncton Tramways, Electricity, Light and Power Co. serves Moncton and vicinity, the second largest industrial area in New Brunswick. As its name implies, the company provides an all-round utility service for the people in this territory.

Approximately 5,000 customers are supplied with electric energy. The company does not generate its own power, however, but buys its requirements from the New Brunswick Electric Power Commission and retails it over its own distribution system.

A somewhat similar number of customers in Moncton and Hillsborough are supplied with natural gas. This gas is obtained from natural gas fields in the vicinity and extensions to mains have been made in recent years.

There is no direct public investment interest in this enterprise, the company being a subsidiary of Utilities Light and Power Corp., Chicago, which also controls other utilities in the Maritime provinces.

NEW BRUNSWICK POWER

Operations and earnings of New Brunswick Power Co., supplying the public utility services to the City of Saint John, are on a more encouraging basis this year.

In recent years the operating income of the company has been on a downward scale and since 1931 no dividends have been paid on the capital stock. The electric light and power department has been the mainstay of the company. The industrial load is relatively small, so that this department has had to depend very largely upon domestic business. In this connection the company is actively competing with the city's hydro electric system. This competition has resulted in wasteful duplication of services and the forcing down of rates.

Trams Pay Way

The tramway facilities of Saint John and the adjoining municipalities are provided by the New Brunswick Power Co. This department is not a money-maker, its income being about equal to expenses.

Bonds Mature Shortly

Control of New Brunswick Power lies with the Federal Light and Traction Co., which, over a period of many years, has made very substantial advances on capital account to its subsidiary. Practically all of the capital stock is owned by the parent company, while the public is interested in an issue of first mortgage bonds which matures in the spring of 1937. While the present low price of the bonds would seem to indicate some uncertainty as to what action will be taken by the company to redeem these bonds when they fall due, it is likely that the Federal Light and Traction Co. will see that the necessary steps are taken to redeem the obligation in order to protect its own substantial stake in the company.

NEW BRUNSWICK TELEPHONE

After experiencing a steady decline in the number of stations installed and the volume of toll traffic over a period of many months, the New Brunswick Telephone Co., subsidiary of the Bell Telephone Co. of Canada, is now able to report an increase in the number of stations in use, as well as in the volume of business handled over its long distance lines.

The system, owned by New Brunswick Telephone, forms the connecting link between Nova Scotia and Quebec. The company owns nearly all its buildings used as substations as well as its head office building, and which, along with supplies and equipment, are valued at over $6,000,000.

Better Trend at Present

In 1932 the company had 29,861 telephones in use, of which about 69 per cent were residential and the remainder business telephones. Of the total about 30 per cent were the automatic dial type. Figures were not published by the company on telephones in use as at the end of last year. It is understood, however, that there was a decline in the number of stations installed in 1933. This decline continued into the early months of the current year, but of late the trend has been checked and the number of installations has exceeded the number of withdrawals by a substantial margin.

The earning power of New Brunswick Telephone has shown a steady decline since 1930, gross income dropping from $1,551,420 to $1,214,673. After taking care of operating and other expenses, the net income available for distribution in the form of dividends on the capital stock followed the same trend with the result that the company found it necessary to place the stock on a 5 per cent dividend basis. Between 1916 and the beginning of 1932, the company paid 8 per cent. This rate was reduced to 6 per cent in April, 1932, and to 5 per cent in January, 1933.

Present indications are that the income this year will be on a larger basis and when outstanding bills are liquidated, it is expected that the management will take steps to restore the common stock dividend to its old basis.

NOVA SCOTIA PUBLIC COLD STORAGE

Control of Nova Scotia Public Cold Storage Terminals has passed to the Halifax Harbor Commissioners for a consideration of $1,700,000. This enterprise was initiated five years ago to provide the harbor of Halifax with dry and cold storage facilities for the handling of Maritime products such as apples, fish, potatoes, etc.

Although starting under favorable auspices, subsequent developments were not favorable to the company. Large sums of money were invested in a quick-freezing process for fish. Owing to the irregularity of supplies and other handicaps, this investment was never fully realized upon.

Public investment interest in the company is largely confined to the first mortgage bonds which were issued in 1923. The Dominion Government provided 30 per cent of construction costs. Since completion of the plant, however, the company was not able to develop any appreciable earning power and in the early part of 1932 interest was passed on the funded debt.

NOVA SCOTIA TRUST

Nova Scotia Trust Co. of Halifax, will celebrate its 25th anniversary in three years' time. Since the formation of the company in 1912 on a modest scale, operation and service provided by the company have steadily expanded until today the company ranks among the more important institutions of its type in the Maritime provinces.

The financial statement for the fiscal year 1934 shows Nova Scotia Trust had under its administration assets totalling $7,811,282, an appreciable gain over that reported for the previous year. Estates under administration totalled in value $5,751,498, while guaranteed trust funds aggregate $1,353,292. The paid-up capital of the company totals $474,700 and reserves $160,000.

Earning power of the company has shown a consistent increase ever since its formation. For the 1934 fiscal year, net profits available for distribution on the capital stock amounted to $55,693, equivalent to $11.73 a share. From this a dividend of $7 a share—the regular rate—was paid on the capital stock.

SAINT JOHN DRYDOCK

Redemption of its old first mortgage bond issue and replacement with a new issue carrying a smaller coupon rate, is a feature of the financial operations of Saint John Dry Dock & Shipbuilding Co. in recent months. The company was formed in 1916 to build and operate a dry dock at Saint John. This work was completed in 1923. Since then the company has branched out into other lines of business, undertaking the manufacture of structural steel in 1928 and a short time later it undertook dredging operations.

Primarily the company is interested in shipbuilding and ship repairing. Its property comprises the largest graving dock in the British Empire. It is situated at the head of Courtenay Bay within the harbor limits, and adjacent to the port of Saint John. Its facilities are most complete, including easily handled stagings, gangways, etc.

STANFIELD'S

Stanfield's Ltd., Truro, N.S., is one of the oldest and largest manufacturers of woollen underwear and associated lines in the Dominion. While there is a fair-sized public investment interest in the enterprise, its control and policies have always been held by the Stanfield family. The direction given by the family has resulted in building up an organization with a Dominion-wide connection.

With the death not long ago of the former head of the company, Hon. Frank Stanfield, a capital reorganization of the company was effected whereby the old shareholders were offered cash and an interest in the new concern of the same name, for their holdings.

Under the present capital set-up, Stanfield's has issued $400,000 of preferred stock and 10,000 shares no par value common stock. Earnings on the new capital have been satisfactory, but no dividends have been paid, the directors adhering to the policy of building up reserve before undertaking distribution of surplus earnings.

Maritime Farmers Take To Mechanical Appliances

Though the size of farms in the three Maritime Provinces is less than that found in other parts of the Dominion, farm mechanization has made appreciable progress in the past decade. Records compiled at the time of the Dominion census in 1921 and 1931 reveal the fact that Maritime farmers are just as much interested in the latest mechanical appliances for farm work as their fellow-farmers in the West or Central Canada.

In the following tabulation of farm appliances in the Maritimes as reported in 1921 and 1931, it will be noted that activities of the farmers are well denoted by the extensive use of cream separators, motors, etc., indicating extensive dairying operations. Tractors, gasoline engines, electric motors and other appliances are in use generally. As regards farm facilities the Maritime farmers believe in modern conveniences whenever and wherever they are made available, radio, telephones, gas, electricity, etc., registering a rapid growth in use.

It should be noted in examining the accompanying table that complete returns were not received by the Government, but those reporting provide a valuable cross section of conditions in the Maritime Provinces.

		Prince Edward Island	Nova Scotia	New Brunswick
Total number of farms		12,865	39,444	34,025
	Farm Machinery			
Automobiles	Number, 1931	3,885	10,297	10,425
	Number, 1921	687	3,464	4,111
	Farms reporting, 1931	3,741	9,982	9,988
	Farms reporting, 1921	661	3,266	3,959
Motor trucks	Number, 1931	369	1,704	1,126
	Farms reporting, 1931	356	1,633	1,093
Tractors	Number, 1931	176	423	289
	Number, 1921	49	164	104
	Farms reporting, 1931	169	414	279
	Farms reporting, 1921	47	155	103
Gasoline engines	Number, 1931	4,193	2,839	4,491
	Farms reporting, 1931	3,641	2,569	4,238
	Farms reporting, 1921	2,972	2,982	4,135
Binders	Number,	7,204	2,012	3,814
	Farms reporting,	7,189	2,011	3,807
Threshing machines	Number,	3,237	838	3,267
	Farms reporting,	3,233	837	3,239
Cream separators	Number,	8,140	19,392	18,343
	Farms reporting,	8,125	19,349	18,307
Milking machines	Number,	27	41	78
	Farms reporting,	27	41	78
Silos	Number,	44	277	169
	Farms reporting,	42	260	164
Electric motors	Number,	184	429	501
	Farms reporting,	156	355	389
	Farm Facilities			
Gas or electric light	1931	513	3,760	2,517
	1921	193	1,296	507
Radio	1921	1,407	4,770	2,658
Telephone	1931	2,777	10,266	7,126
	1921	1,535	8,243	6,171

ATLANTIC SUGAR REFINERIES LIMITED

SITUATE at the entrance to the year round open port of Saint John, the Atlantic Sugar Refineries, Limited, enjoys ready access to Empire sources of raw materials, and contributes to the stability and enterprise of local and Maritime endeavor.

SAINT JOHN Lantic Sugar NEW BRUNSWICK

The Seal of Purity

POWER OUTPUT OF N. B. BOARD RECORDS GAIN

Provincial System Extending Field of Operations This Year

New Brunswick Electric Power Commission generated 38,217,680 kw. h. during the fiscal year ended Oct. 31, 1933. This compared with 37,503,222 kw.h. in the previous twelve months. Of the amount generated last year, 2,080,400 kw.h. was sold as surplus seasonal power, and the actual number of kw.h. delivered to the various sub-stations for the consumption of regular customers, was 31,159,750 kw.h. compared with 32,301,741 kw.h. for the previous year.

Two generating plants are operated by the Commission, a hydro-electric unit at Musquash and a pulverized coal-steam power unit at Grand Lake. Owing to favorable water conditions the former generated 24,419,400 kw.h. last year, as against 18,746,300 kw.h. in 1931-32. Due to the favorable water conditions, the steam plant's operations were restricted and production totalled only 13,788,780 kw.h., a decline of approximately 5,000,000 kw. h. from the previous year.

Trend More Favorable

For two years prior to August, 1933, there had been a constant falling off in the consumption of electricty with a consequent reduction in revenue. Beginning with last August, however, there has been an increase in the amount of power used as compared with corresponding periods of the previous year.

Since its establishment 14 years ago, the New Brunswick Electric Power Commission has gradually extended its operations and today has in force seven different systems. The system as a whole comprises 235 miles of high voltage transmission lines, 695 miles of distributing lines in villages and rural districts. Electricity is distributed directly to 5,213 customers in villages and rural districts and, in addition, power generated by the Commission is distributed through other agencies to 17,395 customers. Large blocks of power are sold wholesale to distributors in Saint John, Moncton and other larger urban centres.

Investment of $6,285,000

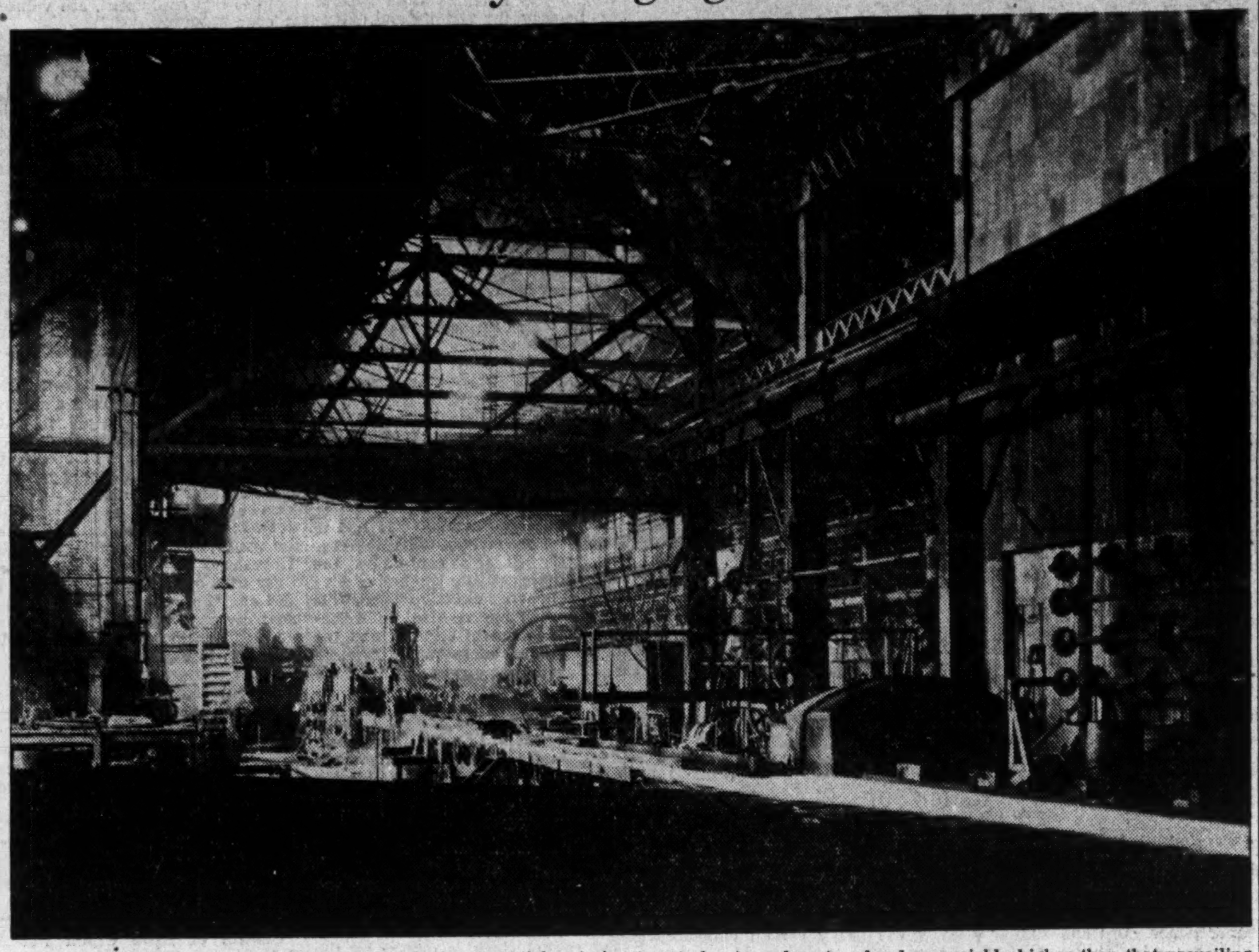
At the end of October last, the Commission had a capital investment in plant and equipment of $6,285,749, while other items brought the total assets up to $6,926,358. Borrowings from the provincial government on capital account totalled $6,162,129.

For last year the Commission reported an operating income of $763,516, as against operating expenses of $723,691, leaving a gross surplus of $39,824. This compared with a surplus of $30,926 in the previous fiscal year.

The latest development in the affairs of the New Brunswick Power Commission is the approval by the Government of a proposal to take over the distributing systems of Newcastle and Chatham. Consequent upon this deal the Commission will be able to extend its own power lines into Northumberland County.

Approximately $451,650 will be spent by the Commission on this extension. Part of the money will go toward purchasing new equipment for the Grand Lake plant. About 74 miles of transmission line will be built between the Grand Lake plant and Nelson.

Iron and Steel Industry Swinging Back to Normal Stride



Abundant supplies of iron ore, limestone, coal and other essential materials have combined to set up in Cape Breton, Canada's largest iron and steel manufacturing industry. Under normal conditions the great steel plant of the Dominion Steel and Coal Corp. at Sydney provides employment for many thousands of workers, not only in the plant, but in the coal mines, iron ore mines at Wabana, etc. Over the past twelve months the volume of business secured by the company has enabled plant operations to be stepped up to a level appreciably higher than that prevailing in 1932 or 1931. The Dominion Government order for steel rails has been an important factor in the renewal of activity, but at the same time a substantial amount of business has been secured in England, South Africa and elsewhere. This view shows the rolling mills making rails for the Canadian National Railways.

FISH INDUSTRY ADDS $2,972,706 TO N. B. INCOME

'33 Marketing Conditions Have Adverse Effect on Returns

Though the fisheries of New Brunswick do not rank in the same class as manufacturing, agriculture or lumbering as a source of new wealth, yet they contribute in no small way to the welfare of the province.

Like the sister provinces of Nova Scotia and Prince Edward Island, New Brunswick's fisheries have been affected by the low prices prevailing for fish and fish products in the last two or three years. Further the export trade is handicapped by unsettled monetary conditions in the principal foreign markets. In recent months, however, there has been some improvement both in price and demand.

Catch Worth $2,972,000

New Brunswick's fisheries in 1932, the last year for which complete report is available, had a production valued at $2,972,706, which was more than $1,000,000 less than in the previous year. It is anticipated that the government report for 1933 will show a further decline in value.

As in the case of Prince Edward Island, the lobster fisheries is of first importance in New Brunswick. Lobsters marketed by New Brunswick operators in 1932 had a value of $1,041,845, or slightly better than one third of the aggregate total.

Next of importance, in order of value, are smelts, with $492,888; sardines, $426,349; herring, $244,737; salmon, $232,412; and cod, $197,917.

The smelt is the only one among the chief commercial fishes of New Brunswick which shows an increase in marketed value in 1932, the others all recording decreases, although the catches of lobster and sardines, as well as of smelts, were greater than in 1931.

Values Off Sharply

The quantity of fish of all kinds landed during the year amounted to 1,023,270 cwt., with a value at the vessel or boat side of $1,505,203. This compares with a catch of 1,139,620 cwt. and a landed value of $2,006,785 in 1931.

Statistics of the inland fisheries are included in the returns made by the Government. These fisheries are of comparatively small importance commercially, the value of products in 1932 totalling only $28,552. The principal kinds in the inland fisheries are salmon and shad.

The capital invested in the fisheries of New Brunswick in 1932 is placed at $5,737,722. This total comprises $3,650,820 recorded as the value of the vessels, boats, 'nets, traps, weirs and wharves, etc., used in the primary operation of catching and landing the fish, and $2,086,902 is given as the amount invested in fish canning and curing establishments.

In connection with the latter division, the government's report shows that in 1932 there were 157 canning and curing plants in operation. Of this number, 108 were lobster canneries; nine clam canneries; three sardine canneries; 34 fish-curing establishments; one freezing plant and two reduction plants.

Over 15,000 Employed

The number of persons employed in the fisheries of the province in 1932 was 15,764, an increase over the preceding year of 603, or 4 per cent. The total for that year comprises 13,411 men employed in primary operations and an average of 2,353 workers in the fish canning and curing plants during the season of operations.

Fishing and Hunting Attract Thousands

New Brunswick continues to hold its own as one of the principal areas on the continent for fishing and big-game hunting. Last year over 1,600 non-resident hunting and fishing licenses were issued, a gain of approximately 100 over the previous year. The special 7-day non-resident tourist family license continued to be a popular feature of the government's programme to attract visitors, 794 of this type of license being issued.

Residents of the province are also keen hunters and fishermen, judging by the fact that last year 17,824 licenses were issued. This was about 2,110 licenses less than in the previous year, the decline being attributed to general financial conditions.

Nova Scotia's Mine Output Shows Variety

Average number of men employed at Nova Scotia coal mines in 1933 was 11,884 compared with 12,711 in 1932.

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Coal output for the year was 3,663,671 tons, as against 3,775,879 tons in the previous year.

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Coal used in coke ovens in the province in 1933 was 196,091 tons compared with 142,245 in the previous twelve months.

• • •

Coke manufactured in Nova Scotia last year amounted to 114,210 net tons. In 1932 output was 86,797 net tons. Dominion Iron and Steel accounted for the major share of the production.

• • •

Tar manufactured from coal last year amounted to 1,885,514 imperial gallons, as against 1,462,090 gallons in the 1932 fiscal year.

• • •

1,335 ozs. of gold were produced in Nova Scotia last year. This was an increase of 394 ozs. over the previous year and nearly three times that produced in 1931.

• • •

Mining and shipment of crude and calcined gypsum reached 306,331 tons for 1933, a decrease of 120,427 tons from the previous year.

• • •

Production of salt in Nova Scotia last year totalled 34,005 tons. This compares with 29,082 tons for the previous year.

• • •

Fuel oil manufactured in the province last year totalled 44,796,613 gallons, as against 50,534,970 gallons in the previous twelve months.

• • •

Steel ingots produced in Nova Scotia in 1933 aggregated 123,964 tons compared with 99,287 tons in the previous year, while 52,303 tons of steel rails were manufactured in 1933. No rails were produced in 1932.

• • •

Gas produced from coal distillation in 1933 totalled 1,671,210 thousand cubic feet. This compares with 470,704 m.c.f. in 1932.

• • •

Over 2,100,000 common bricks were made in Nova Scotia last year, a decline of about 900,000 from that reported in the previous year.

• • •

Production of limestone for fertilizer in 1933 totalled 8,500 tons. This was an increase of approximately 5,400 tons over the output in 1932.

• • •

Illuminating oil manufactured in Nova Scotia last year totalled 7,831,647 gallons, as against 8,066,729 gallons in the preceding year.

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No iron ore was imported into the province last year from the Wabana Mines. Normally the province brings in from 250,000 to 300,000 tons of ore.

COAL PRODUCTION IN NEW BRUNSWICK SETS NEW RECORD

Operations Last Year Bright Spot in Recovery Work

More coal was produced in New Brunswick last year than in any other year on record. Two causes contributed to this outstanding result: first, coal can be produced cheaper than that imported into the province, and, secondly, improvement in mining operations and betterment of the quality of product sold to the consumer.

Production of coal in New Brunswick last year totalled 269,499 tons, all of which was produced in the Minto-Chipman region. This represented an increase of about 100,000 tons or 59 per cent more than reported in the previous twelve months.

About 51 per cent of the production was marketed with the Canadian National and Canadian Pacific railways; 5 per cent with the New Brunswick Power Commission's plant at Grand Lake and the balance with industries and domestic consumers.

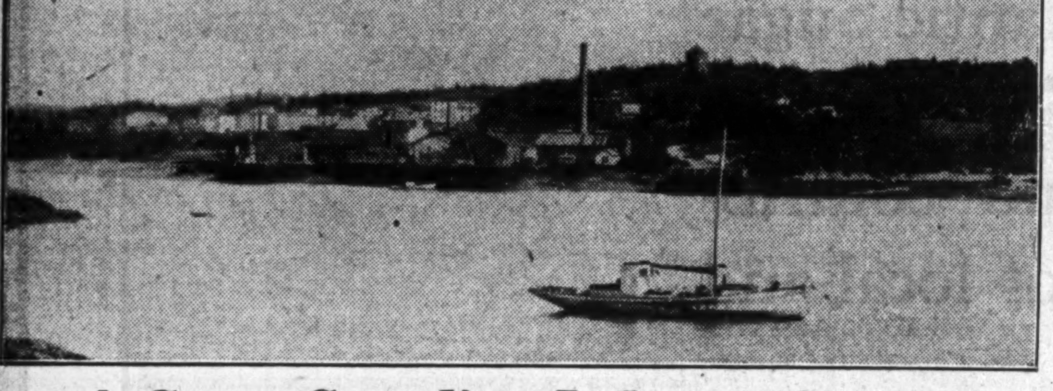
Employment at the mines has been well maintained so that the six companies in the Minto field alone had an average of nearly 900 men employed throughout the year, while the mines of the Minto and Chipman areas collectively have provided work for about 1,000 men.

MONCTON TRAMWAYS ELECTRICITY AND GAS COMPANY LIMITED

Distributing Natural Gas and Electric Current to over 10,000 Customers in Moncton and Suburbs

Inquiries Concerning Power for Industry will have immediate attention

MONCTON NEW BRUNSWICK



A Great Canadian Industry Situated In the Maritimes

The Fishing Industry is one of the great basic industries of the Maritime Provinces. The sea that washes the coast of these Provinces produces as good fish as there are found in any part of the world.

On the southern shore of New Brunswick many years ago the Sardine Herring Industry was started, and from small beginnings this Industry has grown tremendously. At Black's Harbour, N.B., now stands the largest Sardine Plant in the world, owned by Messrs. Connors Bros. Ltd. The products of this Plant circle the globe. They are sold in over one hundred different countries.

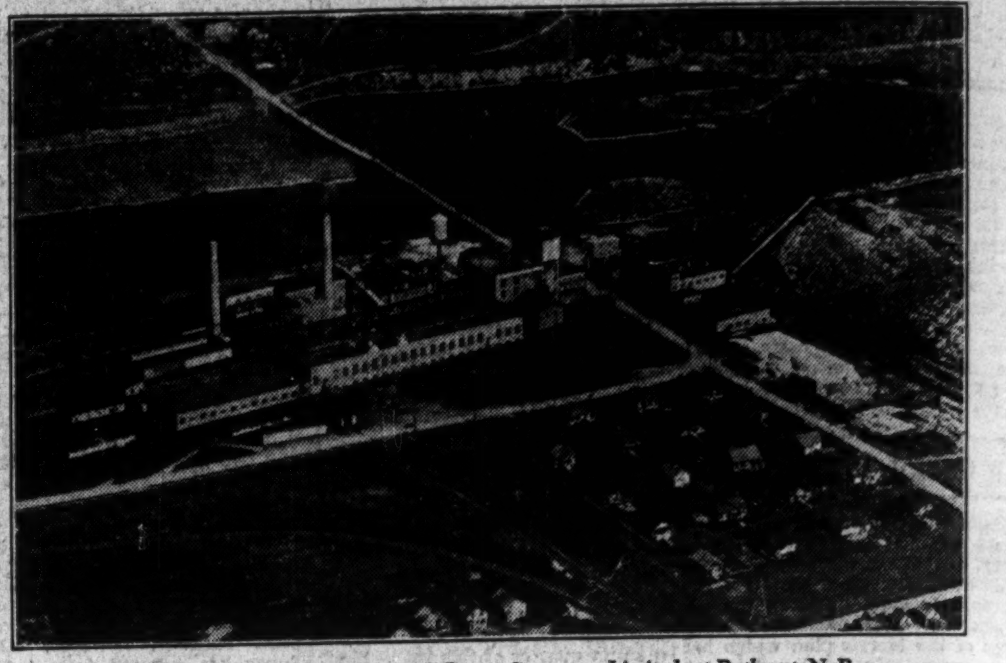
Messrs. Connors Bros. Ltd. have carried on a great deal of pioneer work in penetrating markets for Canadian fish in all parts of the globe.

Extensions are being made annually at the Plant of Messrs. Connors Bros. Ltd., so that both the Canadian market and the Export market will be well taken care of.

The food content value of Messrs. Connors Bros. Limited's products has held a leading place throughout the world for many years. They are recognized as an international food in nearly all the countries of the globe.

Brunswick, Jutland, Glacier and Dining Car Special Sardines, Chicken Haddies, Finnan Haddies, Herring in Tomato Sauce, Fresh Herring, Kippered Herring, Clams in Bouillon, Kippered Snacks.

CONNORS BROS. LIMITED
BLACK'S HARBOUR, N.B., CANADA



The mill of the Bathurst Power & Paper Company, Limited, at Bathurst, N. B.

BATHURST POWER AND PAPER COMPANY LIMITED

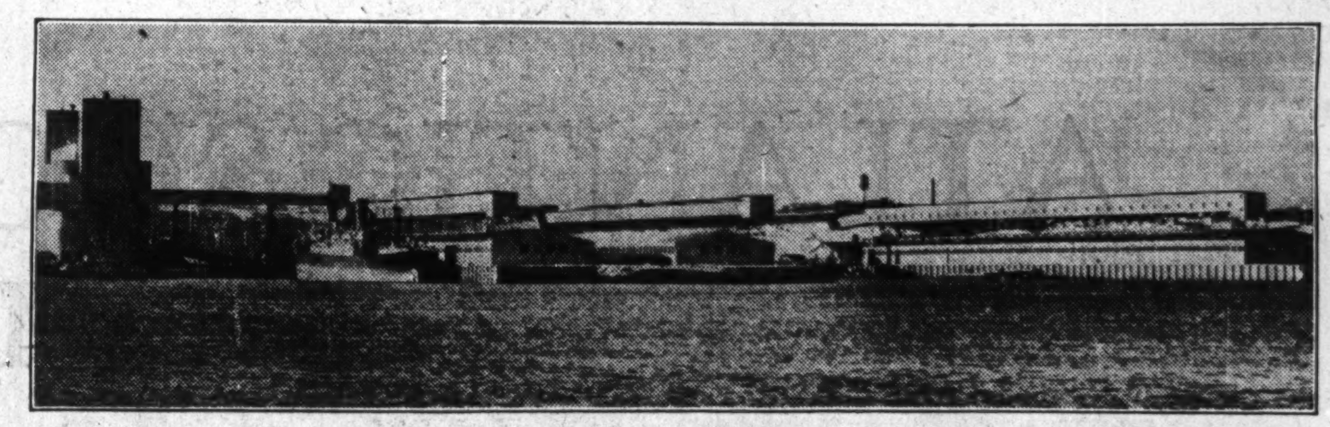
BATHURST, NEW BRUNSWICK

an important factor in the economic life of the Maritime Provinces

MANUFACTURERS OF NEWSPRINT PAPER - FOURDRINIER KRAFT BOARD SULPHITE PULP

DIRECT RAIL OR WATER TRANSPORTATION

Ship via the PORT OF SAINT JOHN



View of the recently constructed Navy Island Piers

A GREAT NATIONALLY OPERATED PORT—OPEN ALL YEAR—
STRATEGICALLY LOCATED FOR CANADA'S EXPORT AND IMPORT TRADE

Recent Port Statistics

Exports for the Winter Season 1933-34 showed large increases over the same season 1932-33.

The following are among the outstanding increases:

Newsprint 588%
Autos, etc. 327%
Lumber 122%
Total General Cargo 65%

Offering to Shippers these Unique Advantages and Facilities:

650,000 square feet of shed space; 10,500 lineal feet of wharves; accommodation for vessels up to 35 feet draught; modern well-equipped facilities for the loading and discharge of general cargo with despatch; extensive grain storage and handling facilities.

Modern frost-proof warehouses for perishable goods; coal and fuel oil bunkering equipment; dry dock and ship repair plant within harbor limits.

Safe anchorage; direct rail connections, Canadian Pacific and Canadian National Steamship Services to other world Ports.

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FRANK T. LEWIS — *Commissioners* — THOMAS NAGLE
ALEX GRAY, M.I.C.E., M.E.I.C., *General Manager and Engineer of the Harbour*

For information write to
Saint John Harbour Commissioners, Saint John, New Brunswick

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Investment Securities
Head Office: 92 Prince William Street
SAINT JOHN, N.B.
MONCTON, N.B. FREDERICTON, N.B.

FISHING LICENSES ATTRACT FAMILIES

New Brunswick Offers Inducement to Non-Residents

Once again New Brunswick's seven-day non-resident tourist family fishing license proved most popular in 1933, according to statistics contained in the report of the Department of Lands and Mines.

There were 794 tourist families taking advantage of this license last year, an increase of 16 over the previous year. The year 1933 saw an increase of 4½ per cent in the number of non-resident anglers and 8 per cent in the number of non-resident hunters, a particularly fine showing for New Brunswick in a year when recreational sports were not so well patronized throughout America.

The total number of non-resident hunting and fishing licenses issued in 1933 was 1,617 as compared with 1,542 the year previous and the number of salmon fishing licenses increased to 372. There were 19,824 licenses of all kinds issued, a reduction of 2,110 from the previous year, but resident licenses showed the greater decrease.

LOUGHLIN & McKENZIE
Limited

Government, Municipal, Corporation Bonds

FREDERICTON, N.B.

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is the centre of the Maritimes' richest trading area. The Transcript covers this field thoroughly.

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Moncton Transcript

If you have anything to say to the merchants of the Maritime Provinces, particularly the General Storekeepers, the most effective advertising medium through which to say it is the extraordinarily popular

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Wallace Manufacturing Company, Limited

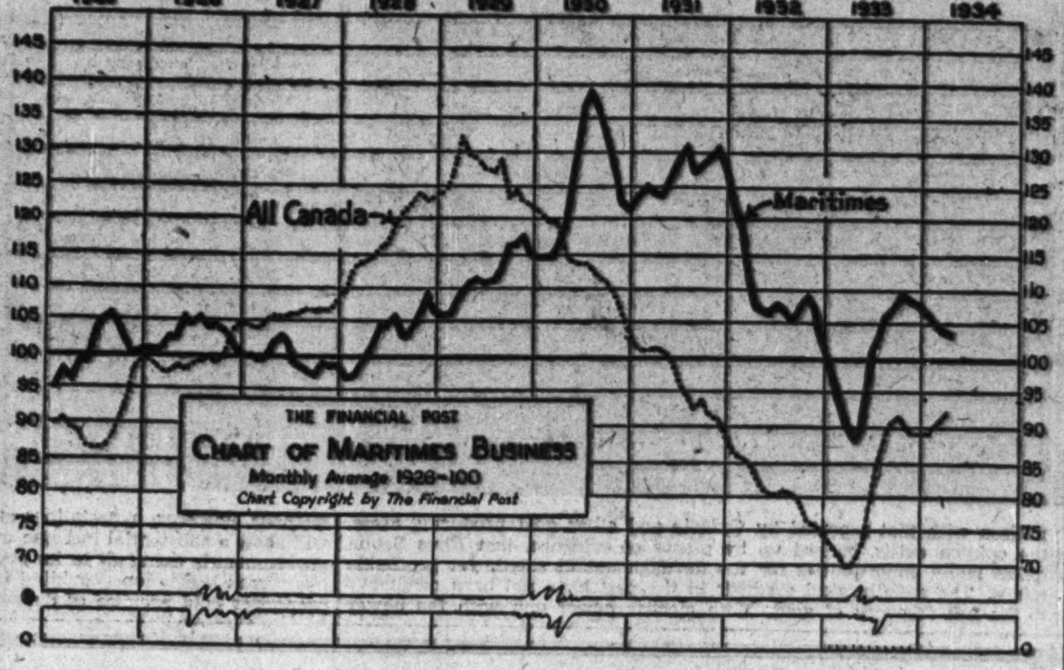
Mr. A. H. Granger, Moncton Superintendent of Maritime Branches of the T. Eaton Company, recently expressed his unqualified satisfaction with the new Eaton Groceteria opened in Charlottetown. "We do not know of a finer shop anywhere," states Mr. Granger.

This is another outstanding accomplishment of Wallace Manufacturing Company, who manufactured and installed all the refrigerating counters and coolers, as well as vegetable and fruit display stands.

The leading stores in practically every town or city will be found to be unanimous in their choice of Wallace-Built Equipment.

Sussex, N. B.

Maritime Business Ahead of Other Areas



The satisfactory gain in Maritime business in the past 12 months is indicated by The Financial Post business indices shown above. May figures indicate an improved outlook for the Atlantic provinces during the summer.

The article below amplifies the business picture revealed.

Maritime Business Makes Fine Recovery

Gain of 17 Per Cent Shown in Past Twelve Months — May Figures Augur Well for 1934

By SYDNEY B. SMITH

An unmistakable recovery has occurred in the Maritime provinces during the last twelve months.

It was about one year ago that the full force of the depression was felt in the area. The depression had not settled down on the Maritime provinces as early as in the other areas of the Dominion. A composite of nine statistical factors indicates that 1930 and 1931 were years of considerable economic activity. In the next two years the area experienced a marked reaction, culminating in April, 1933.

Peak Reached in November

While business operations revived in the last eight months of the year it is evident that most of the significant factors averaged lower in 1933 than in the preceding year. The expansion in the latter part of the year was spectacular, more than offsetting the appreciable contraction in the early months. The peak of the year was reached in November, and since that time a minor reaction has been in evidence.

Preliminary information for May, however, is so promising that it is thought that an immediate reversal of the secondary reaction of the last five months is more than a probability.

Advance is 17 Per Cent

The extent of the betterment in the last twelve months is indicated by the advance of nearly 17 per cent in The Financial Post index of economic activity for the area. The index was 103.4 in April compared with 88.7 in the same month of last year when the minimum for the depression was reached.

The new business obtained by the construction industry in recent months is a harbinger of the return of active conditions. The situation was dominated by the contract placed in May for the Halifax freight sheds at $1,500,000. As contracts were at a low ebb in May of last year, the gain over that period is no less than spectacular. Building permits contribute confirmatory evidence of the revival of building activities.

Power Output Improves

Since the early part of last year, the operations of the central electric stations have fluctuated up and down. During the summer of 1933 a marked gain was shown. Slackening occurred around the year end, but a rebound was shown recently. The trend at the present time is upward and preparations are being made toward the greater use of electric power in the area. The gain over April of last year was about twelve per cent.

Owing to its comprehensive character, it is probable that the index of employment is the best regional indicator of industrial activity in existence. After adjustment for seasonal tendencies the index moved up from the early months of 1933, to a relatively high point in the first quarter of this year. As reports are received from the plants employing 15 persons or more throughout the area the marked recovery in the index reflects a transformation in conditions during the last twelve months. A gain of more than 22 per cent, in an index not normally given to wide fluctuations, in the short space of 12 months, is a definite signal of the return of prosperity.

Financial Factor

Bank debits or the cheques cashed against individual accounts in the three clearing centres of the Maritime provinces, dipped to the extreme low point of post-war history in April of last year, due allowance being made for seasonal tendencies. An immediate recovery was made in the following month and financial transfers have since been fairly well maintained at the higher level during the intervening period. The gain in April over the same month of last year was more than 16 per cent.

While the sale of life insurance is an erratic factor, a close correlation during the period of observation was shown with the conventional cyclical curve. Sales resistance was at a maximum in 1932 and 1933, a considerable improvement in sales being shown since the first of the year. After two years of inactivity, it is now found that prospective customers are more favorably disposed toward taking on new insurance as a means of providing against future eventualities.

New Export Records

Though the export movement through Maritime ports is not an indicator of general conditions in the area, it is of real significance to the life of Halifax and Saint John. The recovery in the export trade since last fall has been most remarkable. External shipments had been at a low ebb for at least two years. In November a striking recovery was shown and increases have predominated since that time even after adjustment for seasonal tendencies. Recently, all depression years were far surpassed and we need to go back to 1929 to find a correspondingly active export trade. The gain over April 1933 was no less than 86.6 per cent, representing a transformation in the demand for Canadian products in external markets.

The percentage gain in imports was even more spectacular, but the total of last April was far below the levels of prosperous years from 1925 to 1930. An excellent comeback was shown over April 1933, the low point for the post-war years, but a long climb is necessary before a normal level is relinquished.

From April to August of last year, tonnage of vessels even after seasonal adjustment reached a relatively low level. The position was reversed from September to April. Measured by this factor, the two ports were more active during the eight months than in any similar period during the time for which monthly statistics are available from the beginning of 1926 to the present.

Gains in the index of economic activity of the Maritime provinces, and its nine components, over the same month of 1933 follow:

		Latest Month 1933	1934	Increase P.C.
Construction Contracts	May	$ 280,000	$ 2,006,000	+671.5
Building Permits	May	$ 109,000	$ 163,000	+ 49.5
Electric Output (Daily average 000 kw.h.)	April	1,465	1,641	+ 12.0
Employment Index adjusted 1926=100	May 1	80.3	98.3	+ 22.4
Bank Debits	April	$336,000,000	$391,000,000	+ 16.4
Sales of Ordinary Life Insurance	April	$1,932,000	$ 2,156,000	+ 11.5
Exports through Maritime ports	April	$6,579,000	$12,277,000	+ 86.6
Imports through Maritime ports	April	$1,093,000	$ 2,617,000	+139.4
Tonnage vessels cleared (Halifax & Saint John)	Apr.	511,247	695,529	+ 36.0
The Financial Post Index	April	88.7	103.4	+ 16.6

The Post-war Trend

The trend of economic activity in the Maritime provinces is bound up with that of the other parts of Canada, but the cyclical movement tends to lag. Measured by a weighted average of nine factors, economic expansion did not get under way until about the beginning of 1928, whereas in the other parts of the Dominion expansion was nearly continuous from 1921 to 1929. On the other hand, prosperity was more persistent in the Maritime provinces, the impetus of prosperous conditions being carried over into 1930 and 1931 when the highly industrial areas of central Canada, as well as the grain area of the Prairie provinces, were suffering in the throes of a major depression.

The bottom of the depression was sounded in the early months of 1933, corresponding with the experience of most other places on the continent. In other words the economic standing of the Maritime provinces coincided with that of other areas in a rough way, the main exception being that the depression was delayed for a year or two after it had become general elsewhere.

Lumbering Meets Competition

The industrial situation was altered in the period under review due in part to the decline in external demands for Maritime lumber. Strong competition was encountered from British Columbia lumber entering the American and British markets by means of the Panama Canal. Russian and Baltic lumber to a large extent dominated the British market. The natural outcome was the development of the pulp and paper industry and a market expansion in the production of hydro-electric power.

HIGHWAY SYSTEM WORK CURTAILED DURING PAST YEAR

Only Necessary Work Carried Out in New Brunswick in 1933

Construction and maintenance of New Brunswick's highway system in 1933 resulted in an expenditure of $1,136,310.

Road expenditures in all branches were greatly curtailed and expenditures for maintenance work were 18 per cent lower than in 1932 and 62 per cent under the peak year of 1930. Expenditures on permanent work were 69 per cent lower than the previous year and 90 per cent lower than during 1930.

Details of Expenditures

Expenditures for 1933 are classified as follows:

Ordinary roads	$233,753
Municipal roads	55,143
Patrol	254,732
Permanent—Main trunk	248,799
Permanent—Secondary & branch	343,883
Total	$1,136,310

Only Necessary Work

A comparatively small amount of permanent highway construction was carried on during the past year; only work found to be absolutely necessary being done as well as that carried on as an unemployment relief measure. Five sections of road, having a total mileage of approximately 44 miles, were resurfaced by contract with crushed and screened gravel.

Greater attention has been given to the secondary trunk highway system during the past three years, and some of these roads are being gradually brought up to almost as high a standard as the main trunk highways.

Maintenance and Patrol

All main trunk highways and a large mileage of secondary trunk highways are being regularly maintained by heavy power maintainers. Horse patrol graders are being used on some of the secondary roads where the traffic is not heavy enough to warrant the use of power machines.

SETTLEMENT LOTS PROVIDE WAY OUT FOR YOUNGER MEN

New Brunswick Actively Pushes Colonization Work

Colonization activities in New Brunswick have increased very substantially in recent years. The province has been faced with the problem of its steadily growing younger population which must of necessity be established. Existing industries cannot absorb this new population to any appreciable extent. Emigration to other countries is not practical or possible owing to world-wide conditions of depression. As a consequence there are within the province hundreds of young men, many of them with families, who require to be re-established. There are also hundreds of ex-farmers in towns and villages, unemployed, who must be looked after. Many of these are anxious to return to the land.

Realizing the possibility and the necessity of placing many of these people on the land, the question of creating new settlements has been carefully studied by the Government and plans were made for an intensive colonization programme.

Provide for Settlers

During the fiscal year ended October 31, 1933, the number of settlement lots approved to new settlers was 678, an increase of nearly 100 per cent over the previous year. Forest rangers in addition to their other duties, made 3,312 inspections of new lots applied for and of improvements in lots previously approved. These semi-annual inspections are showing definite results, closer contact is being made, the areas prepared for burning and cultivation are steadily increasing, and closer compliance with the land settlement regulations is being secured.

Several new features were introduced in colonization work during the past year. The appropriation for colonization was increased. An additional amount was voted for aid to new settlers, to be distributed in seed for planting and a supply of food where necessary. There was also secured from the Federal Government an additional amount for aid to new settlers in the nature of direct relief and unorganized charities. With these funds 1,376 new settlers and their families were given much needed assistance.

Stumping and ploughing of new land were carried out to advantage in several sections and will enable the settlers to assist in this manner to increase their crops during the season of 1934.

70,000 Acres Available

Last year 698 lots were surveyed, making available for settlement approximately 70,000 acres of land, nearly all of which has been applied for. These lots were surveyed in practically every county in the province.

Road work in colonization areas was carried on more extensively than in previous years. Under special arrangement the Public Works Department has charge of the laying out and building of the roads, the cost being shared with the Federal Government.

Industrial Capital Grows

Capital invested in Maritime manufacturing industries has increased from $216,562,066 in 1926 to $246,961,070 in 1932. During the same period the number of plants in operation rose from 2,372 to 2,519.

GOLF
SWIM
FISH
Algonquin Hotel
in The MARITIMES

THE ALGONQUIN
... in New Brunswick
Water sports vie with golf for first place at St. Andrews-by-the-Sea! At Canada's fashionable seashore resort, you bathe at Katie's Cove, fish, go sailing, play tennis, bowl and motor; GOLF on the championship 18-hole course or the sporty 9-hole course, makes your sports program complete. Season: June 30—September 4.
Rates as low as $8 PER DAY
Doubles from $7 PER PERSON
American Plan
(Special Rates for Families)

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... in Nova Scotia at Digby
Set in a 16-acre park, is your headquarters for the Land of Evangeline overlooking Annapolis Basin. Play golf on a fine 18-hole golf course with a new up-to-date club house; tennis, motor, swim, fish, sail and dance to your heart's content at this popular seashore resort. Season: June 28—September 7.
Rates as low as $7 PER DAY
Doubles from $5.50 PER PERSON
American Plan
(Special Rates for Families)

At Yarmouth, N.S., it's the LAKESIDE INN (June 29-Sept. 5)
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LOW SUMMER ROUND TRIP RAIL FARES
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CANADIAN PACIFIC HOTELS

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The Corporation and Individual Provides for

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The Central Trust Company of Canada by its policies and methods of operation—by its record in the investment and administration of trust funds—by its declared intention to continue its long career as an independent Trust Company — assures, as far as is humanly possible, that the Estates, business of responsible corporations, firms, and individuals entrusted to it will be ably administered with full satisfaction to heirs and beneficiaries.

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NEW BRUNSWICK POWER COMPANY
SAINT JOHN, NEW BRUNSWICK

Nova Scotia's Gold Properties Draw Attention of Outside Capital

The search for new gold properties, or old ones capable of further development, consequent upon the substantial increment in the value of the yellow metal, has created widespread interest in Nova Scotia's possibilities. For more than 70 years this province has been a producer of gold. While the quantity produced to date is relatively small in comparison with that reported by Ontario and other gold producing areas, the opinion exists, backed up by plenty of evidence, that Nova Scotia offers many opportunities for the development of small, yet profitable mines. The metallurgical methods in the past have not been conducive to the full recovery of gold. With electric power and with the newer methods, however, expectations are that gold production in Nova Scotia will show a substantial increase over the next few years. The provincial government is doing all in its power to foster the renewed interest, and has passed legislation providing for liberal assistance to operators whose properties hold promise of developing into real mines.

MINERAL WEALTH OF NOVA SCOTIA IS DIVERSIFIED

Mining is Second Largest Industry Reported by Province

COAL IS PARAMOUNT

Interest in Metallic and Non-metallic Minerals Gives Promise of More Activity

Geographical location caused the mineral resources of Nova Scotia to be explored before any other part of Canada. As early as 1604 iron, silver and copper were reported. Since then many other types of minerals have been found and though the development of these resources has created millions of dollars in new wealth, the mineral resources of the province are far from being exhausted; in fact, may be said to be scarcely touched.

Nova Scotia's mineral resources have come in for renewed attention of late. Over the past twelve months the production of coal has been on a much more extensive scale. A substantial increment in the value of gold has drawn closer attention to the possibility of the old gold properties in the province. Other minerals have come in for closer attention and expectations are that over the next year or two, the mining industry of Nova Scotia will experience a return to the conditions prevailing before the depression set in.

Coal Mining Paramount

For many years to come, however, the mining of coal will be the principal activity in Nova Scotia's mining industry. This branch of mining has been developed to a very high degree and the province markets its coal, not only in the domestic field, but in central Canada, Newfoundland, New Brunswick and other markets.

Due to the inactivity in the iron and steel business last year, the production of coal showed a small falling off, amounting to 3,663,671 tons. This compares with 3,775,879 tons in the previous year.

Reach Impressive Total

Over the past 150 years, Nova Scotia coal mines have produced and sold approximately 210,000,000 tons of coal. Provincial records date back to 1785 in which year sales were 1,668 tons; in 1933 sales aggregated 3,277,251 tons. In 1913 a record was created which still stands; sales amounting to 6,478,709 tons. As for the current year, expectations are that production and sales of Nova Scotia coal will exceed 4,000,000 tons.

Despite this vast production, reserves of coal in Nova Scotia are estimated at 9,631,106,000 tons. Of this amount 7,530,817,000 tons is estimated as probable reserve; the balance is actual reserve.

Second Largest Industry

Nova Scotia's mineral production ranks fifth in economic importance in the Dominion, while mining is the second largest industry in the province from the point of view of value of production.

Coal is the greatest factor in the Nova Scotia mining industry; the Sydney coal mines at Cape Breton are among the most highly developed and among the greatest potential coal areas in the world. Actually the thickest coal seam mine in the world is located at Stellarton.

Help Market Coal

In recent years one of the greatest difficulties confronting the Nova Scotia coal mining industry was the securing of bigger markets. Despite large coal deposits of satisfactory quality, imports of coal from the United Kingdom and United States, tended to choke out the Nova Scotia industry.

Owing to many factors, a Nova Scotia coal operator was at a disadvantage in competing with American and British coal in the central Canadian market. It was recognized, of course, that in certain areas it was not feasible or possible to market coal in competition with that from the United States. This applied more particularly to the western area of Ontario. In the eastern area of that province, as well as in Quebec, it was felt that Nova Scotia coal should be given assistance in competing for a fair share of the market.

To that end, the Dominion Government, in the early part of 1932, extended subventions to Canadian coal producers in order to encourage the greater use of domestic coal. These subventions amounting to more than $1 a ton enabled the Nova Scotia operators to place their coal in the central Canadian markets on a basis which permitted them to compete with the imported product. This resulted in enlarging the market and stimulating the production of coal.

Within itself, the coal industry in Nova Scotia is making great strides in improving its efficiency. Electrification of leading mines has been carried out in recent years, making for lower costs and better working conditions. Despite the improvement already made, however, it is recognized that costs must be reduced still further and to that end the operators devote more and more attention.

Diversity of Minerals

While Nova Scotia is generally regarded as being a coal mining province, it comes as a surprise to many to know that the mineral resources in this area are probably more diversified than in any other province in the Dominion. At the same time these resources are being exploited. In many cases development to date has been on a relatively small scale, but when the time is opportune, these workings can be greatly enlarged.

Gypsum Output Important

Gypsum mining has held an important place in the province's mineral operations for many years. Due to the decline in construction activity, production of gypsum has reflected the lower demand for building materials made from this mineral. Last year Nova Scotia produced 306,331 tons of crude gypsum. This was approximately 120,000 tons less than in 1932 and less than one-half of that produced in 1931.

The largest operator in the gypsum industry is located at Windsor, where two main quarries are operated. Other gypsum operations are carried on at Cheticamp, Mabou, Beddeck and Cheverie. Much of the crude gypsum is shipped to the United States.

Gold Mining Revives

Gold mining is another branch of Nova Scotia's mining industry which, while comparatively small at present, holds interesting possibilities. In another part of this section, details will be found of current developments and what the Province of Nova Scotia and the operators are doing to stimulate production of the precious metal.

Produce Rock Salt

At Malagash in Cumberland C'ty. the Malagash Salt Co. operates the only rock salt mine in the Dominion. This deposit was discovered in 1917 while drilling for water was being undertaken, and it has been developed in recent years on a commercial scale. Several grades of rock salt are produced and crushed in suitable forms for the various markets, the fish packing industry taking large quantities.

Last year the production of salt in Nova Scotia amounted to 34,005 tons. This was the largest output recorded for many years and compared with 29,082 tons and 25,951 tons in 1932 and 1931 respectively.

Big Refining Industry

Though petroleum is not found within the borders of the province, Nova Scotia has one of the largest oil refining industries in the Dominion. The Imperial Oil has established at Dartmouth, on tidewater, one of the largest refineries in Canada.

The extent of operations at this plant may be gathered from the fact that in 1933, 44,796,613 gallons of fuel oil were manufactured, while 7,831,647 gallons of illuminating oils also were produced.

Returning to Nova Scotia's minerals, the government reports show a wide exploitation of non-metallics. There is substantial production of bricks, crushed stone, diatomaceous earth, dolomite, fireclay, limestone and tiles.

Iron Ore Supply

Though iron ore is shown in the government's report of mineral production, it should be noted that this mineral is imported from Wabana, from the Wabana Mine, on Bell Island. Due to the proximity of large supplies of iron ore, coal, limestone, etc., one of the largest iron and steel plants in the Dominion is located at Sydney, in Cape Breton. Last year the steel mills turned out 123,964 tons of steel ingot compared with 99,287 tons in the previous year. Over 50,000 tons of steel rails were produced, while nearly 12,000 tons of steel wire were manufactured.

Coking operations are conducted in the province and among the byproducts produced by this industry in 1933 were nearly 2,000,000 gallons of tar, close on to 3,000 tons of sulphuric acid and over 2,000 tons of ammonium sulphate.

Production is Diversified

The extent of mineral production and its diversity in Nova Scotia over the past three years are set forth in the following condensed table:

MINERAL PRODUCTION OF NOVA SCOTIA
Years Ended September 30, 1931—1933

Minerals		1931	1932	1933
Ammonium, sulphate	short tons	4,917	1,744	2,110
Bricks, common	number of 8 in.	5,792,992	3,022,401	2,142,711
Bricks, silica	number of 9 in.	1,597,051	......	453,287
Coal	long tons	4,475,005	3,775,879	3,663,671
Coal, used by coke ovens	short tons	369,373	142,245	196,091
Coke, produced	short tons	223,685	86,797	114,210
Coke, petroleum	short tons	1,194	342	291
Crushed stone	short tons	19,584	18,071	11,673
Diatomaceous Earth	short tons	1,012	1,761	1,870
Dolomite	short tons	12,468	373	4,088
Fire clay	short tons	1,063	1,103	709
Ganister	short tons	1,069	317	779
Gas from coal distillation	thousand cu. ft.	3,279,205	470,704	1,671,210
Gold	ounces	575	941	1,335
Gold bearing ore	short tons	2,954	1,367	2,279
Gypsum, crude	short tons	754,083	426,758	306,331
Gypsum, calcined	short tons	9,954	5,874	5,250
Light oil	imp. gals.	......	......	224,396
Limestone	short tons	33,123	8,495	15,283
Limestone for fertilizer	short tons	3,181	2,970	8,500
Motor fuel (Ben gas)	imp. gals.	723,736	8,212	135
Oil, fuel, mnfd.	imp. gals.	54,173,000	40,534,970	44,796,613
Oil, illuminating, mnfd.	imp. gals.	6,194,000	8,066,729	7,831,647
Oil, other, mnfd.	imp. gals.	55,160	38,253	62,146
Pig iron	short tons	165,260	......	113,515
Salt	short tons	25,951	29,082	34,005
Sandstone	short tons	31,040	2,371	1,769
Sewer pipe	short tons	11,200	9,016	1,624
Silica	short tons	2,737	827	1,135
Steel ingots	short tons	255,171	99,287	123,964
Steel rails	short tons	85,595	......	52,303
Steel wire	short tons	12,421	10,198	11,849
Sulphuric acid, 50 degrees	short tons	5,257	3,277	2,898
Tar	imp. gals.	3,815,686	1,462,090	1,885,514
Tiles, drain	lineal ft.	214,757	75,590	106,346
Tiles, interlocking	number of	407,007	253,057	11,986
Tiles, Partition	number of	816,338	301,472	47,467
Iron ore, imported	short tons	303,852	8,003	Nil

Nova Scotia Coal Finds Main Outlet in Quebec

Sales of Nova Scotia coal in 1933 totalled 3,277,251 tons, according to returns compiled by the provincial department of mines. This compared with 3,359,279 tons and 4,315,429 tons in 1932 and 1931, respectively.

Quebec continues to be by far the largest customer for Nova Scotia coals, taking approximately one-half of that marketed last year. The domestic market takes about one-half of that marketed in Quebec, while New Brunswick takes a fraction less than half of that marketed in Nova Scotia. Other shipments were made to Prince Erward Island, Newfoundland, the United States, Ontario and St. Pierre. It will be noted in the following compilation that the decline in sales has been primarily due to the restriction in local consumption. The home market is influenced to no small degree by the extent of iron and steel operations in the Cape Breton area. For the current year it is anticipated that the amount of coal used in iron and steel operations will show a very marked increase.

Returns of Coal Sold in 1933 Compared with Returns of 1931 and 1932

Destination:	1931	1932	1933
Nova Scotia	1,404,026	897,834	880,215
New Brunswick	646,071	503,935	428,286
Newfoundland	133,373	78,619	68,895
Prince Edward Island	83,640	71,327	76,646
Quebec	1,835,524	1,649,755	1,651,608
St. Pierre	1,703	3,275	2,258
United States	36,341	40,130	35,116
Ontario	......	2,326	4,876
Magdalen Islands	......	......	94
Labrador	515	......	......
Bunker	174,236	112,078	129,257
Total	4,315,429	3,359,279	3,277,251

Nova Scotia Gold Production to Date Passes $20,000,000

South Africa, Northern Ontario and Northwestern Quebec are outstanding gold producers, but investors and others interested in the production of the precious metal ofttimes overlook the fact that Nova Scotia has been a gold producer since the days before Confederation. Between 1862 and 1933 Nova Scotia produced nearly 1,000,000 ounces of gold; approximately one ounce for every ton of material crushed.

The recovery to date largely represents free gold. The belief is held that the province is capable of producing much larger amounts of gold than heretofore with the use of more up-to-date mining methods. Large sums of money are now being spent on different properties within the province, and while it is not expected that there will be developed any second Lake Shore or Hollinger mines, the belief holds that a number of profitable, though small, mines can be brought into being.

The trend of gold production in Nova Scotia between 1862 and last year is set forth in the following table:

SUMMARY OF GOLD PRODUCED IN NOVA SCOTIA
1862-1933

Year	Material Crushed Tons	Gold Extracted Oz.
1862	6,641	7,275
1865	23,835	24,867
1870	30,502	19,866
1875	14,810	11,208
1880	14,037	13,234
1885	28,890	22,203
1890	42,749	24,358
1895	58,082	22,112
1900	85,744	30,400
1905	72,252	16,782
1910	49,558	10,675
1915	25,104	7,216
1920	858	744
1921	1,650	378
1922	4,837	865
1923	2,273	535
1924	1,778	750
1925	7,749½	1,526
1926	7,224½	1,350
1927	15,847	2,306
1928	14,329	1,439
1929	8,368	1,568
1930	5,328½	2,340
1931	2,954	574
1932	1,367	941
1933	1,929	1,334

Over 80,000 Phones in Use

Over 80,000 telephones are in use in the Maritime Provinces, distributed as follows: Prince Edward Island, 5,511; Nova Scotia, 44,976; and New Brunswick, 31,287.

26,000 Workers in Industry

More than 26,000 workers were employed in Maritime industrial operations in 1932. Salaries and wages paid to these workers during the year totalled $22,548,783.

CANNED TUNA ADDED TO LIST OF PRODUCTS

Canned tuna has now been added to the list of Canadian fisheries products.

Hitherto, the Dominion's commercial catch of tuna—all taken in Nova Scotia waters—has been marketed in the fresh form only and any canned tuna used by Canadian consumers has been a foreign product. Last year, however, following the development of an efficient processing method at the Atlantic Fisheries Experimental Station operated at Halifax by the Biological Board of Canada, canning was undertaken by commercial interests and though their initial output was naturally not large it is stated to have met with a very satisfactory reception on the market and demand was greater than supply.

The fish was packed in half pound flat tins, some of them being filled with one slice from the choicer portion of the fish and the "second grade" with several pieces. Broken pieces of tuna meat were ground fine and put up as paste.

Guard The Forests

FOREST fires and paper mills do not live long together. If the wood supply for a mill is damaged or destroyed, the mill must curtail its operations or shut down. Then everyone suffers. Only eternal vigilance can prevent fires.

The Company cooperates with the New Brunswick Government to guard its timber resources. Its protective organization has constructed steel lookout towers connected with headquarters by telephone lines. Cabins and caches have been built, the latter stocked with modern fire-fighting equipment. The Company has organized ground patrols which can be quickly expanded into fire-fighting brigades working side by side with Provincial forces.

The members of this ground patrol system cover the woods by foot and canoe warning sportsmen and others against the danger of fire and posting fire-warning signs.

The Company does what it can to prevent fires from starting, to detect them quickly if started, and to extinguish them with the minimum of damage.

The public must do the rest.

New Brunswick International Paper Company

MARKET FACTS OF THE MARITIME PROVINCES

Living Conditions

Housing in Cities

	Apts. & Flats	Row or Terrace	Single Houses	Semi-Detached	Total Units
Prince Edward Island:					
Charlottetown	151	107	1,373	903	2,548
Nova Scotia:					
Halifax	4,596	490	5,263	1,188	11,593
Glace Bay	372	22	2,328	911	3,634
Sydney	1,079	29	2,797	441	4,384
New Brunswick:					
Saint John	755	91	549	611	2,024
Moncton	1,028	3	2,173	882	4,104

Farm Occupancy

	Unit	P.E.I.	N.S.	N.B.
Farm Occupancy				
Total number of owners	No.	12,865	39,444	34,025
Total number of owners	No.	12,091	37,176	31,933
P.C. of total	%	93.98	94.25	93.85
Number of part owners and part tenants	No.	540	1,213	1,164
Number of tenants	No.	234	1,055	928
Farm Acreage, 1931				
Approx. land area of the country	Acres	1,397,990	13,483,520	17,863,040
P.C. in farms	%	85.21	31.91	23.24
Acreage in farms	Acres	1,191,202	4,302,031	4,151,596
Acreage per farm	Acres	92.59	109.07	122.02
Acreage owned	Acres	1,151,386	4,164,170	3,979,410
P.C. of total acreage	%	96.60	96.79	95.85
Acreage rented	Acres	39,816	137,861	172,186
Acreage improved	Acres	765,772	844,632	1,331,653
P.C. of total acreage occupied	%	64.29	19.63	32.08
Acreage owned improved	Acres	741,073	812,444	1,274,513
P.C. of all improved land	%	96.77	96.19	95.72
Acreage rented improved	Acres	24,699	32,188	57,140
Average acreage of improved land per farm	Acres	59.52	21.41	39.14
Farm Values, 1931				
Value of farm property (land and buildings)	$	49,920,400	82,514,500	77,060,800
Average per farm	$	3,336	2,092	2,265
Average per acre of land	$	36.03	19.18	18.56
Aver. per acre of improved land	$	56.05	97.69	57.87
Value of land (exclusive buildings)	$	23,233,900	36,624,000	38,380,300
Average per farm	$	1,806	979	1,128
Average per acre	$	19.50	8.96	9.24
Aver. per acre of improved land	$	30.34	45.73	28.82
Value of buildings	$	19,686,500	43,890,500	38,680,500
Average per farm	$	1,530	1,113	1,137
Farm Mortgage Debt, 1931				
Amount of mortgage debt	$	4,880,600	6,604,400	6,512,300
No. of farms report. mort. debt	No.	4,265	4,071	5,939
P.C. of total	%	33.15	10.32	17.45
No. of owners and part owners	No.	12,631	38,389	33,097
P.C. of owned and partly owned reporting mortgage	%	33.77	10.60	17.94
Aver. mortgage of farm report.	$	1,144	1,622	1,096
Ratio of mortgage to value of all farms	%	11.37	8.00	8.45
Farm Taxes, 1930				
Total amount of taxes	$	198,746	1,296,870	1,161,720
Taxes per acre of owned land	$	.17	.30	.29
Taxes per acre of owned land improved	$	.27	1.60	.91
Farm Expenditures, 1930				
Expenditures for—				
Feed	$	321,640	2,782,420	1,810,310
Farms reporting	No.	5,634	28,426	19,526
Average per farm reporting	$	57.09	97.88	92.71
Fertilizer	$	950,250	879,540	1,495,830
Farms reporting	No.	9,065	18,504	17,431
Average per farm reporting	$	104.83	47.53	85.82
Seed	$	227,370	368,120	472,490
Farms reporting	No.	9,142	17,108	19,192
Average per farm reporting	$	24.87	21.52	24.62
Light and Power	$	14,740	99,460	72,130
Farms reporting	No.	449	3,267	2,229
Average per farm reporting	$	32.83	30.44	32.36
Labour (cash and board)	$	1,071,210	2,460,200	2,345,170
Farms reporting	No.	5,566	10,991	10,879
No. of weeks of hired labour	No.	95,182	200,798	183,739
Average per farm reporting	No.	17.10	18.27	16.88
Average expenditure per farm reporting	$	192.45	223.83	215.57

Income Tax

Personal Income Tax
(Fiscal Year Ended March 31, 1933)

By Occupations:	P.E.I. No.	P.E.I. Amount	N.S. No.	N.S. Amount	N.B. No.	N.B. Amount
Agrarians	4	$ 225	5	$ 340	...	$ .....
Professionals	47	2,026	243	37,766	180	17,335
Employees	226	10,078	3,647	165,274	2,975	141,030
Retailers	72	3,799	325	38,064	236	16,375
Wholesalers	9	1,727	38	31,684	9	225
Manufacturers	..	....	9	674	3	724
Natural Resources	..	....	5	3,734	..	.....
Financial	10	150	30	14,239	38	3,233
Personal corps.	..	....	31	24,220	35	66,815
Family corps.	12	2,933	53	25,605	51	37,235
All others	76	4,358	602	106,262	468	61,721
	496	$25,310	4,988	$450,784	3,995	$346,063
By Amount of Income:						
Under $2,000	168	$1,102	1,717	$10,684	1,521	$ 9,338
$ 2,000 to $3,000	87	984	850	12,722	739	9,231
$ 3,000 to $4,000	95	2,102	937	18,406	722	13,566
$ 4,000 to $5,000	43	1,681	541	18,801	372	12,806
$ 5,000 to $6,000	38	2,974	303	18,541	194	11,855
$ 6,000 to $7,000	35	3,926	160	17,609	124	11,938
$ 7,000 to $8,000	8	1,365	116	18,300	72	10,320
$ 8,000 to $9,000	6	1,245	86	18,585	48	10,164
$ 9,000 to $10,000	4	784	59	18,722	42	11,767
$10,000 to $15,000	6	1,863	146	72,538	103	51,616
$15,000 to $20,000	6	7,271	27	32,491	17	22,036
$20,000 to $25,000	..	....	24	51,039	8	18,164
$25,000 to $30,000	..	....	11	32,853	7	21,158
$30,000 to $50,000	..	....	7	37,606	11	57,138
$50,000 and over	..	....	4	60,073	5	73,398
	496	$25,310	4,988	$450,784	3,995	$346,063

Corporation Income Tax
(Fiscal Year Ended March 31, 1933)

By Occupations:	P.E.I. No.	P.E.I. Amount	N.S. No.	N.S. Amount	N.B. No.	N.B. Amount
Agrarians	13	$ 3,756	..	.....	..	.....
Retailers	5	1,463	59	28,265	38	18,958
Wholesalers	..	....	21	14,151	26	26,371
Manufacturers	13	5,543	46	126,667	34	48,714
Natural Resources	..	....	15	38,893	10	7,655
Financial	19	32,168	29	83,750	12	5,028
Transport. and P. V.	4	3,286	33	110,374	15	105,449
All others	3	14,371	44	40,629	39	53,101
	57	$60,670	247	$442,731	174	$265,286
By Amount of Income:						
$ 2,000 to $3,000	11	$ 640	60	$ 3,216	54	$ 3,216
$ 3,000 to $4,000	7	1,028	44	8,624	25	4,251
$ 4,000 to $5,000	12	3,510	23	7,027	14	4,833
$ 5,000 to $6,000	..	....	12	4,156	6	3,207
$ 6,000 to $7,000	3	1,354	10	5,775	6	3,479
$ 7,000 to $8,000	4	2,498	8	4,242	5	3,211
$ 8,000 to $9,000	..	....	9	6,254	8	6,442
$ 9,000 to $10,000	5	3,856	5	4,876	4	2,969
$10,000 to $15,000	10	12,687	17	21,474	19	22,760
$15,000 to $20,000	..	....	21	34,530	5	8,405
$20,000 to $25,000	..	....	11	25,394	9	22,937
$25,000 to $30,000	..	....	3	9,414	..	.....
$30,000 to $50,000	5	35,017	10	42,480	8	32,860
$50,000 and over	..	....	14	265,299	11	147,184
	57	$60,670	247	$442,731	174	$265,286

Autos and Radios

	Auto Registrations No.	Radio Sets No.
Halifax	23,535	8,911
Saint John	5,042	6,488
Charlottetown	....	646
Fredericton	1,242	1,060
Moncton	2,236	2,122
New Glasgow	1,086	886
Sydney	1,820	2,151
Amherst	745	597
Edmundston	512	333
Truro	1,182	1,123

Telephones

	P.E.I.	N.S.	N.B.
1931	5,806	46,932	33,950
1932	5,511	44,976	31,287

In Cities, 1933

Halifax	12,988
Saint John	10,603
Charlottetown	2,113
Fredericton	2,739
Moncton	4,286
New Glasgow	2,447
Sydney	2,812
Amherst	1,056
Dartmouth	1,684
Edmundston	629
Truro	1,924

Occupations

Gainfully Employed Persons (Census 1931)

	P.E.I. No.	N.S. No.	N.B. No.
Agriculture	18,362	43,931	46,275
Forestry, fishing	1,356	14,196	7,721
Mining	5	16,981	1,053
Manufacturing	1,500	18,939	15,729
Electric power	48	814	412
Construction	1,198	11,367	6,884
Trans. & commun.	1,456	15,145	11,140
Trade	2,138	15,202	12,034
Finance	293	2,286	1,703
Service	4,546	31,871	23,632
Unspecified	1,246	10,351	13,440
Total	32,168	181,083	140,023

Postal Revenue

1933	Total	Per Capita
Halifax	$491,445	$8.29
Saint John	281,602	5.90
Charlottetown	75,285	5.38
Fredericton	70,644	8.00
Moncton	397,901	19.23
New Glasgow	37,788	4.26
Sydney	62,588	2.71
Amherst	34,187	4.59
Dartmouth	16,748	1.84
Edmundston	15,432	2.40
Truro	58,218	7.37

Retail Merchandising

Summary by Groups

Prince Edward Island

	No. of Stores	Full-time employees Male	Female	Salaries & Wages	Net Sales, 1930	% of Total
Food group	316	84	68	88,900	2,132,100	15.48
Country general stores	166	130	70	132,100	3,253,200	23.62
General merchandise group	8	99	90	175,700	2,304,900	16.73
Automotive group	76	114	16	110,400	1,960,700	14.24
Apparel group	52	74	80	99,200	1,298,600	9.43
Building materials group	11	43	5	33,700	429,600	3.12
Furniture and household group	13	33	6	47,400	406,200	2.95
Restaurants, cafeterias and eating places	19	25	29	25,400	141,900	1.03
Other retail stores	185	130	40	156,300	1,840,800	13.36
Secondhand group	3	..	1	300	5,700	.04
	851	732	395	874,300	13,773,700	100.00

New Brunswick

	No. of Stores	Male	Female	Salaries & Wages	Net Sales, 1930	% of Total
Food group	1,618	883	333	839,200	14,962,500	17.77
Country general stores	706	473	179	532,400	12,236,200	14.50
General merchandise group	98	644	904	1,529,000	18,679,900	22.15
Automotive group	451	798	63	979,200	11,697,800	13.86
Apparel group	307	296	352	547,900	6,373,300	7.55
Building materials group	115	238	44	287,000	3,359,000	3.98
Furniture and household group	87	258	52	330,000	2,592,300	3.07
Restaurants, cafeterias and eating places	174	130	189	169,400	1,204,300	1.42
Other retail stores	648	790	221	1,004,800	13,159,400	15.60
Secondhand group	30	6	1	4,300	87,200	.10
	4,434	4,516	2,338	6,224,300	84,371,900	100.00

Nova Scotia

	No. of Stores	Male	Female	Salaries & Wages	Net Sales, 1930	% of Total
Food group	2,937	1,273	566	1,288,100	24,809,500	24.94
Country general stores	862	570	240	632,400	14,513,300	14.58
General merchandise group	149	408	828	1,015,600	11,438,300	11.49
Automotive group	511	1,031	77	1,271,000	16,254,400	16.33
Apparel group	460	416	429	722,800	9,141,500	9.19
Building materials group	162	325	66	406,600	4,513,000	4.53
Furniture and household group	146	254	71	340,700	3,380,600	3.40
Restaurants, cafeterias and eating places	221	152	292	215,300	1,474,500	1.48
Other retail stores	968	966	251	1,096,600	13,807,400	13.87
Secondhand group	48	20	1	16,200	187,200	.19
	6,464	5,415	2,811	7,006,300	99,519,900	100.00

Types of Retail Stores

New Brunswick

	No. of Stores	Full-time Employees No.	Salaries & Wages	Net Sales, 1930 Amount	% of Total
Single store independents	3,687	5,026	$4,423,500	$60,419,200	71.61
Single stores (in voluntary chains)	155	250	188,000	3,563,000	4.22
Two-store multiples	106	351	331,200	4,113,000	4.88
Two-store multiples (in voluntary chains)	12	42	33,800	376,300	.45
Three-store multiples	39	164	170,800	2,017,700	2.39
Local chains (4 stores and over)	15	44	30,900	430,700	.51
Provincial chains	88	411	554,300	8,323,600	9.87
Sectional chains	16	117	101,200	1,228,800	1.46
National chains	35	204	173,900	2,185,800	2.59
Other types of operation	281	245	216,700	1,713,600	2.02
Total	4,434	6,854	$6,224,300	$84,371,900	100.00

Nova Scotia

	No. of Stores	Full-time Employees No.	Salaries & Wages	Net Sales, 1930 Amount	% of Total
Single store independents	5,594	5,421	4,452,100	68,343,600	68.67
Single stores (in voluntary chains)	91	138	116,800	2,299,500	2.31
Two-store multiples	154	494	568,000	6,219,900	6.25
Two-store multiples (in voluntary chains)	4				
Three-store multiples	69	281	261,100	3,340,800	3.36
Three-store multiples (in voluntary chains)	3				
Local chains (4 stores and over)	47	207	144,300	1,668,200	1.67
Provincial chains	95	505	418,000	5,904,500	5.93
Sectional chains	31	270	225,000	2,995,900	3.01
National chains	42	756	662,700	7,347,400	7.38
Other types of operation	334	154	158,300	1,410,100	1.42
Total	6,464	8,226	7,006,300	99,519,900	100.00

Maritime Market Valued At $200,000,000 Annually

Canada's Maritime Provinces of Nova Scotia, New Brunswick and Prince Edward Island represent one of the most stable merchandising areas in the Dominion. It is a market that presents few of the problems common to other parts of the country. The conservative habits of the people, combined with a buying power that shows little fluctuation from year to year, except in those areas dependent upon seasonal industries, making for a uniform buying power of no little importance.

In its Survey of Merchandising Establishments, the Dominion Bureau of Statistics reports 11,271 retail merchandising outlets in the Maritime Provinces. These stores reported net merchandising sales of $202,703,900 for 1931. Comparative figures for other years are not available, inasmuch as this was the first survey of its kind conducted by the Bureau. It is also of interest to note that 19,575 persons are engaged in merchandising activity in the three provinces.

Salaries and wages paid to them, in the year under review, amounted to $17,261,800.

Nova Scotia Has Largest Market

Nova Scotia is the largest of the three provinces in the Maritime area, both in regard to population and merchandise sales. In 1930, this province had 6,183 stores, with retail merchandise sales of $104,140,900, while the merchandise carried in stock at the end of 1930 was valued at $19,242,800.

The general merchandise group, comprised of 991 establishments (including department stores) had the largest volume of retail business with sales of $26,492,200. Department and general stores, with sales of over $100,000, did a business of $8,519,200, while general stores with groceries made sales to a value of $14,269,900.

The largest number of stores in Nova Scotia was reported for the food group, which was second in volume of business, 2,724 establishments having sales to the value of $27,799,000. The sales of grocery stores totalled $16,622,700 and those of meat markets, $4,151,000. In addition to the sales of the food stores, the bakeries and dairies which report to the census of industry, had retail sales of $1,637,332 in 1930.

The automotive group in Nova Scotia did a business of $17,632,500; 197 filling stations, $1,732,300; and 188 garages, $2,497,000.

New Brunswick Sales Outlets Total 4,294

Preliminary figures for retail establishments in New Brunswick, including both rural and urban areas, show that 4,294 stores had sales amounting to $85,506,300 in 1930. The general merchandise group was first in amount of business, with sales at $31,078,900. In the food group there were 1,655 establishments, doing a business of $14,461,800. Sales of grocery stores were $10,555,900 and those of meat markets $2,265,300. In addition to the sales of the food stores, bakeries and dairies had retail sales of $858,677.

Sales of $11,692,500 were reported in the automotive group in which 98 automobile dealers reported $8,685,200 sales; 174 filling stations, $1,498,000; and 145 garages (which also sold gasoline and oil) did a business of $1,431,600.

Sales of New Brunswick retail stores which do not come under any particular classification, amount to $15,388,890 in 1930. The 57 coal and wood yards reported sales of $2,751,700, while 116 drug stores did a business of $2,362,100. The sales for tobacco stands and stores were $623,000 and those for jewellery stores $513,300.

P. E. I. Trade Worth $13,000,000 Annually

Prince Edward Island's 794 retail stores reported sales of $13,556,700 for 1930. As in the other provinces, the general merchandising group led all others, with sales of $6,277,300 for 163 reporting establishments. There were 152 general stores in this group; three variety, 5-10-$1 stores; eight department and general stores with sales of more than $100,000; and two dry goods stores.

The sales in the food group were $2,163,900, while the number of stores reporting was 307. The 215 grocery stores had sales of $10,463,000, and the 52 meat markets did a business of $458,000.

In the automotive group there were 69 establishments, with sales of $1,786,400. Sixteen automobile dealers did a business of $1,349,800, while the 21 filling stations had sales of $242,200.

Among the other retail stores in Prince Edward Island, the ten dealers of coal, wood and ice reported sales of $476,900. There were 21 drug stores, doing a business of $356,800, and 78 dealers in farm implements and machinery, with sales of $158,700. Altogether there were 159 establishments described as "other retail stores" and the amount of business done by them totals $1,722,700.

Industrial Output

Production, 1931

Net Value of Industrial Production, 1931

	P. E. I.	N. S.	N. B.
Agriculture	$8,685,000	$18,925,000	$16,893,000
Forestry	555,903	9,774,909	15,342,558
Fishing	1,078,901	7,966,711	4,169,811
Trapping	2,283	231,138	111,962
Mining	.....	21,080,746	2,176,910
Electric power	270,445	3,834,158	3,631,097
Construction	121,420	4,500,535	6,341,855
Manufactures	1,787,209	37,391,253	29,577,962

Manufacturing, 1932

Principal Statistics of Manufactures, 1932

	No. of Plants No.	Capital Invested $	Employees No.	Salaries & Wages $	Cost of Materials $	Gross Value of Products $
P. E. I.	274	3,867,195	1,147	725,237	1,949,038	3,566,963
N. S.	1,404	125,639,707	13,142	11,199,861	22,920,420	50,351,054
N. B.	841	117,454,168	11,987	10,623,685	20,776,630	47,472,393

Statistics of the Leading Industries of the Maritime Provinces, 1932

	Establishments No.	Capital Invested $	Employees No.	Salaries and Wages $	Gross Value of Products $
*Pulp and paper	11	56,136,450	2,384	2,675,420	16,873,793
Central electric stations	128	60,461,834	1,229	1,462,224	7,971,224
Fish canning and curing	446	5,431,266	2,693	1,177,253	7,104,835
Butter and cheese	101	2,574,485	590	584,265	4,025,119
Sawmills	922	8,579,304	2,782	981,965	3,835,021
Biscuits, confectionery, cocoa, etc.	20	6,296,796	1,269	1,101,002	3,152,850
Printing and publishing	56	3,675,342	1,112	1,368,670	3,032,864
Primary iron and steel	6	17,132,669	612	687,511	2,580,265
Railway rolling stock	5	8,613,563	1,254	1,314,911	2,518,141
Cotton yarn and cloth	5	6,488,746	1,282	1,047,731	2,512,403
Other leading industries†	4	17,061,698	955	1,421,404	16,509,542
Total, leading industries	1,704	192,452,145	16,162	13,822,356	70,116,057
Total, all industries	2,519	246,961,070	26,276	22,548,783	101,390,415

†Includes sugar refineries and petroleum products.
*No ranking of industries is shown owing to sugar refineries and petroleum products figures not being available individually.

Forestry

Timber Cut

	P.E.I. M. ft. b.m.	N.S. M. ft. b.m.	N.B. M. ft. b.m.
1932	4,911	79,126	112,314
1931	4,552	103,816	130,412
1930	4,777	129,425	275,626
1929	5,093	125,606	363,114
1928	4,794	114,912	283,738
1927	4,723	105,719	335,395
1926	2,927	94,390	381,673

Value of Production

	P.E.I. $	N.S. $	N.B. $
1932	94,930	1,029,462	1,690,464
1931	101,177	1,645,244	2,445,087
1930	113,769	2,529,460	6,409,431
1929	121,838	2,577,875	9,294,941
1928	114,985	2,347,267	7,336,329
1927	114,269	2,157,179	8,556,000
1926	73,634	1,837,310	9,656,279

Note

Material on the Maritimes market, as set forth on this page, has been collected from official sources. Records of the Dominion Bureau of Statistics and The Financial Post Year Book have been consulted. Except where specifically mentioned, the data used comes from the returns compiled during the Federal Census of 1931.

Retail Sales in Cities

	Population	No. of Stores	No. of Employees	Salaries and Wages	Sales
Halifax	59,275	865	3,259	$3,346,100	$30,825,000
Saint John	47,514	803	2,683	2,347,900	21,384,600
Sydney	23,089	303	698	649,100	7,008,700
Charlottetown	12,361	205	625	506,800	4,967,200
Glace Bay	20,706	208	341	258,100	3,467,700

Farm Production

Gross Revenue

Gross Revenue, 1933

	P.E.I. $	N.S. $	N.B. $
Field crops	8,841,000	11,383,000	12,396,000
Farm animals	945,000	1,908,000	2,129,000
Wool	42,000	89,000	77,000
Dairy products	1,486,000	4,941,000	4,318,000
Fruit and vegetables	79,000	3,304,000	610,000
Poultry and eggs	674,000	919,000	908,000
Fur farming	560,000	274,000	583,000
Maple products	......	27,000	44,000
Clover and grass seed	13,000	......	7,000
Honey	1,000	6,000	8,000
Total	12,643,000	23,143,000	21,148,000

Agricultural Wealth

Prince Edward Island

	$
Lands	18,250,000
Buildings	19,687,000
Implements, etc.	8,116,000
Livestock	4,364,000
Poultry	609,000
Animals on fur farms	1,013,000
Agricultural products	12,643,000
Total	64,682,000

Nova Scotia

	$
Lands	34,512,000
Buildings	43,890,000
Implements, etc.	10,554,000
Livestock	10,829,000
Poultry	738,000
Animals on fur farms	389,000
Agricultural products	23,143,000
Total	124,055,000

New Brunswick

	$
Lands	33,916,000
Buildings	38,680,000
Implements, etc.	13,253,000
Livestock	11,144,000
Poultry	894,000
Animals on fur farms	669,000
Agricultural products	21,148,000
Total	119,704,000

Field Crops

Amount of Crop, 1933

	P.E.I.	N.S.	N.B.
	bu.	bu.	bu.
Wheat	434,000	77,000	369,000
Oats	4,697,000	3,222,000	6,526,000
Barley	94,000	233,000	304,000
Beans	......	......	22,000
Buckwheat	52,000	107,000	863,000
Mixed grains	719,000	172,000	157,000
	cwt.	cwt.	cwt.
Potatoes	3,760,000	1,866,000	5,294,000
Turnips	3,838,000	2,984,000	2,320,000
	tons	tons	tons
Hay & clover	284,000	696,000	617,000
Fodder corn	1,800	4,000	3,400

Value of Crop, 1933

	$	$	$
Wheat	390,000	72,000	253,000
Oats	1,469,000	1,579,000	2,219,000
Barley	47,000	145,000	182,000
Beans	......	......	40,000
Buckwheat	31,000	73,000	361,000
Mixed grain	288,000	120,000	80,000
Potatoes	2,444,000	1,773,000	3,697,000
Turnips	1,455,000	1,482,000	882,000
Hay & clover	2,272,000	6,194,000	5,306,000
Fodder corn	6,000	14,000	12,000
	8,402,000	11,452,000	12,232,000

Dairy Products

Milk Output and Uses, 1933

	P.E.I. 000 lbs.	N.S. 000 lbs.	N.B. 000 lbs.
Milk output	157,372	473,778	421,262
Made into butter:			
Dairy	45,849	140,460	174,544
Creamery	46,889	142,516	86,272
Made into cheese:			
Home-made	3	448	67
Factory	6,309	......	3,528

Butter and Cheese Production, 1933

	000 lbs.	000 lbs.	000 lbs.
Dairy butter	1,950	6,000	7,456
Creamery butter	2,088	6,088	2,831
Total butter	4,038	12,088	10,287
Total cheese	584	40	321

Total Value of Products, 1933

	$	$	$
Dairy butter	332,000	1,380,000	1,342,000
Creamery butter	428,100	1,339,300	594,500
Cheese	50,721	3,000	32,500
Misc. prod.	32,700	641,000	198,300
Fresh milk	508,000	1,172,000	1,804,000
Total	1,487,521	4,941,300	4,317,500

Fur Farms

Principal Statistics, 1932

	No. of Farms No.	Value of Lands & Buildings $	Value of Fur-bearing Animals $
P. E. I.	607	877,857	941,162
N. S.	618	236,760	361,461
N. B.	730	404,237	621,388

Apples

Commercial Crop

	N.S. bbls.	N.B. bbls.
1933	1,850,000	40,000
1932	875,000	42,000
1931	1,375,000	40,000
1930	1,172,000	37,000
1929	1,738,000	35,000
1928	1,089,000	22,000
1927	950,000	28,000
1926	927,000	30,000

Market Data of Leading Maritime Cities

		Halifax, N.S.	Saint John, N.B.	Glace Bay, N.S.	Moncton, N.B.	Charlottetown, P.E.I.	New Glasgow, N.S.	Fredericton, N.B.	Sydney, N.S.	Dartmouth, N.S.	Truro, N.S.	Amherst, N.S.	Edmundston, N.B.
Area	Acres	4,400	13,440	6,200	2,093	830	....	....	3,730	....	....	....	....
Population:													
Dominion census, 1931:													
Male	No.	28,606	22,674	10,821	9,800	6,706	....	....	11,670	....	....	....	....
% of total	%	48.2	47.7	52.3	47.4	47.5	....	....	50.5	....	....	....	....
Female	No.	30,669	24,840	9,885	10,889	7,395	....	....	11,419	....	....	....	....
% of total	%	51.8	52.3	47.7	52.6	52.5	....	....	49.5	....	....	....	....
Total, 1931	No.	59,275	47,514	20,706	20,689	14,101	8,858	8,830	23,089	9,100	7,901	7,450	6,430
1921	No.	28,372	47,166	17,007	17,488	12,347	8,974	8,114	22,545	7,899	7,562	9,998	4,035
No. of Houses, census, 1931													
Total	No.	8,980	5,899	3,400	3,552	2,458	....	....	3,751	....	....	....	....
Type of construction:													
Brick and brick veneer	No.	257	547	4	120	75	....	....	43	....	....	....	....
Stone	No.	195	17	4	19	3	....	....	17	....	....	....	....
Wood	No.	8,136	5,259	3,388	3,361	2,373	....	....	3,668	....	....	....	....
Stucco	No.	37	15	....	19	4	....	....	....	....	....	....	....
Cement bricks	No.	334	22	....	26	....	....	....	19	....	....	....	....
Religion, census, 1931:													
Protestant	No.	34,227	31,829	9,491	11,594	7,396	6,543	7,409	11,222	6,617	7,316	5,230	738
% of total	%	57.7	67.0	45.8	56.0	52.4	73.9	83.9	48.6	72.7	92.6	70.2	11.3
Roman Catholic	No.	24,708	14,885	10,705	8,887	6,681	2,236	1,288	11,360	2,411	554	2,042	5,631
% of total	%	40.7	31.3	51.7	42.9	47.4	25.2	14.6	49.2	26.5	7.0	27.4	88.3
Jewish	No.	576	663	395	163	17	52	125	425	29	1	24	12
% of total	%	1.0	1.4	1.9	0.8	....	0.6	1.3	1.8	0.3	....	0.4	0.3
Racial Origin, census, 1931:													
British	No.	50,299	41,631	17,808	13,015	12,376	7,600	8,025	18,339	7,330	7,090	5,527	1,028
% of total	%	84.9	87.6	86.0	62.9	87.8	85.8	90.9	79.4	82.7	89.7	74.2	15.9
French	No.	3,643	2,705	1,129	6,848	1,383	505	231	1,319	524	156	1,464	5,298
% of total	%	6.1	5.7	5.4	33.1	9.8	5.7	2.6	5.7	5.7	2.0	19.6	82.4
German	No.	1,265	289	94	298	55	80	22	76	266	58	53	9
% of total	%	2.1	0.6	0.4	1.4	0.4	0.8	0.2	0.3	2.9	0.7	0.7	0.1
Other European	No.	2,831	1,956	1,451	464	104	242	396	2,511	618	147	103	66
% of total	%	4.8	4.1	7.0	2.2	0.7	2.7	4.5	10.9	6.8	1.9	1.4	1.0
Debt and Taxation, Dec. 31, 1932:													
Tax assessment (total)	$ 000	59,943	50,220	5,272	24,308	9,807	5,795	10,461	12,927	4,882	4,667	3,941	2,314
Per capita	$	1,011	1,057	255	1,148	711	644	1,185	517	536	549	525	360
Gross debenture debt	$ 000	14,419	9,416	1,745	4,280	1,749	1,067	1,050	3,258	1,373	1,041	948	1,348
Per capita	$	243	198	84	202	141	121	119	130	151	122	126	209
Gross public utility debt	$ 000	2,519	4,221	323	1,465	234	422	356	729	691	397	331	667
Per capita	$	43	89	16	70	19	47	38	29	76	47	44	104
Tax levy per capita	$	35	39	18	35	14	22	30	23	18	19	25	23
Tax arrears per capita (accum.)	$	10	13	11	11	5	11	14	19	8	3	9	8
Manufacturing, (1931):													
Total production	$ 000	14,108	12,270	....	6,724	1,766	1,858	1,411	9,465	....	....	....	....
No. of plants	No.	113	130	....	51	36	29	29	36	....	....	....	....
Capital invested	$ 000	21,701	19,717	....	7,839	2,158	2,926	2,512	24,138	....	....	....	....
Salaries & wages	$ 000	4,047	3,104	....	2,678	442	650	449	1,989	....	....	....	....
Cost of Living, Nov., 1933*:													
Food	$	7.59	7.87	....	7.43	7.23	7.29	7.89	....	....	....	7.14	....
Rent	$	7.25	6.00	....	6.25	5.75	5.00	6.25	....	....	....	4.13	....

*Weekly estimate for family of five.

A general summary of the retail merchandising business in the Maritime Provinces for 1930 follows hereafter:

NUMBER OF STORES

	N.S.	N.B.	P.E.I.
Automotive	306	426	69
Food	2,724	1,635	307
Gen. Merch.	991	787	163
Apparel	437	289	53
Lumber	158	112	9
Furniture	93	59	6
Restaurant	239	187	28
All other	1,016	779	159
Total	6,183	4,294	794

SALARIES AND WAGES (in 000's)

	N.S.	N.B.	P.E.I.
Automotive	$1,557	$1,088	$115
Food	1,510	940	91
Gen. Merch.	1,892	2,297	504
Apparel	908	674	138
Lumber	529	368	30
Furniture	236	203	8
Restaurant	261	196	24
All other	1,867	1,501	224
Total	8,760	7,268	1,114

NET MERCHANDISE SALES (in 000's)

	N.S.	N.B.	P.E.I.
Automotive	$17,632	$11,693	$1,786
Food	23,799	14,462	2,164
Gen. Merch.	26,493	31,079	6,277
Apparel	8,707	5,823	1,013
Lumber	4,341	3,294	363
Furniture	2,078	2,045	44
Restaurant	1,820	1,221	186
All other	19,270	15,388	1,723
Total	104,140	85,006	13,556

NUMBER OF EMPLOYEES

	N.S.	N.B.	P.E.I.
Automotive	1,333	990	131
Food	2,059	1,397	169
Gen. Merch.	2,613	3,048	600
Apparel	974	730	149
Lumber	480	335	43
Furniture	193	244	8
Restaurant	849	382	65
All other	1,860	1,485	229
Total	10,060	8,121	1,394

Highways

Open for Traffic, December 31, 1933

	P.E.I. Miles	N.S. Miles	N.B. Miles
Unimproved earth	1,949	6,554	1,822
Improved earth	1,517	3,636	4,636
Surfaced	185	4,544	5,317
Total	3,650	14,735	11,825

Bank Debits Decline

Bank debits in the Maritime Provinces last year totalled $480,000,000. This compares with $519,000,000 in the previous year and with $652,000,000 in 1931.

Per Capita Debt Low

The per capita debt of the Maritimes is probably lower than that of any other economic section of the Dominion. In 1932 Prince Edward Island had a net debt of $2,889,357; Nova Scotia, $6,583,478; and New Brunswick, $35,130,234.

Per Capita Income

Estimate by The Financial Post Business Year Book

	P.E.I.	N.S.	N.B.
1933	$230	$280	$253
1932	225	259	260

Livestock Worth $26,000,000

Farm livestock in the Maritimes in 1932 was valued at approximately $26,000,000 distributed as follows: Prince Edward Island, $4,289,000; Nova Scotia, $10,829,000; and New Brunswick, $11,144,000.

News of Canadian Mining Investments

The Week in Mining

No Quarter for Careless Engineers

SCANT mercy for mining engineers who report on properties in which they have or intend to have substantial interest, without disclosing that interest, can be expected by the Canadian Institute of Mining & Metallurgy from now on.

With commendable promptness, the Institute has acted to nip in the bud widely publicized charges that such unethical conduct is "common" among Canadian engineers. The matter was recently discussed by the newly appointed council at Quebec, and the following announcement prepared.

"In the opinion of the council, if any member of the Institute publishes or submits a report on a property or potential property, or on a venture, or enterprise or company in which he is substantially interested, or in which he is assured of an interest, whether as remuneration for his professional services, or as a contingent fee, or otherwise, and if said member neglects to include as part of his report a statement that he is so interested, then he becomes liable to suspension or expulsion from the institute as provided in by-law No. 27."

By this action, the institute have made it abundantly clear that they will not tolerate a situation which might easily give rise to wholesale graft. The fact that such conduct does not exist to any appreciable extent in Canada is beside the point. The charge was made, and the Institute was well advised to take the action they did as promptly as they did.

Also beside the point is the argument, used by certain Quebec councillors, that men of unquestioned integrity sometimes placed themselves in this invidious position without intent to mislead those who read the reports, and without realizing that they placed themselves in a compromising position. Mining engineers are not so naive that they cannot realize the responsibility which they have in making a report on a prospect which might involve the investment of thousands of people. The connection between the company and the engineer is just as much the business of the investor as are the qualifications of the engineer or of the property.

Canada's mining engineers have too valuable a reputation, both in Canada and in other parts of the world, to risk the taint of charges of this nature. The action of the C. I. M. M. will do as much to protect the engineer as the investor.

* * *

Grounds for Gloating

MINING investors have good cause to gloat over the market figures for the week ending June 14, recently issued by the Dominion Bureau of Statistics, in the form of a weighted index of 23 mining stocks.

In spite of the fact that seasonal lethargy usually sets in about this time, index numbers show that prices were higher on both gold and base metals during the past week than for many years. On 19 gold stocks, the index number for that period was 134.9., the highest it has been since 1928, when the high price was 137.2. For the corresponding period a year ago, the figure was 101.6.

In the base metal field, analysis proves just as cheering. The index number based on four stocks was, for the week ending June 14, 167.6, the highest since 1930. A year ago, for approximately the corresponding week, the index figure was 132.1.

McMillan Gold Now Operating By Electricity

In conjunction with new development plans, McMillan Gold Mines, operating in the Sudbury district of Ontario, has announced the appointment of Lee Heidenreich as general manager.

Work is already continuing under newly installed electric power, and consists of pumping out the shaft at depth. A stope on the 325 ft. level is nearing completion and the company is looking to further development on the 625 ft. level, where an orebody 20 ft. in width was previously disclosed.

The Financial Post is informed that the mill is nearly completed under the supervision of Birnham & Shoemaker, designing engineers, the last step being to finish the roof on the mill building. It is expected that it will be in operation by July 15. A refinery and assay house are now being built.

Post's Calendar Of Meeting Dates

June 22 — Yukon-Consolidated Gold Corp. at Ottawa.

June 26—Pend Oreille Mines & Metals Co. at Spokane, Wash. 2 p.m.

June 26—Panama Corp. (Canada) at Montreal.

June 27 — McIntyre Porcupine Mines at 15 King St. W., Toronto at 10 a.m.

June 27—Castle-Trethewey Mines at 15 King St. W., Toronto at 2 p.m.

June 27—Temiskaming Mng. Co. at 15 King St. W., at 2.30 p.m.

June 27—Sylvanite Gold Mines at Kirkland Lake.

Index To Mining Stock

The weighted index number of twenty-three mining stocks computed by the Dominion Bureau of Statistics on the base 1926-100, was 140.4 for the week ending June 14, as compared with 135.3 for the previous week.

Nineteen gold stocks rose from 130.1 to 134.9, and four base metals stocks from 161.0 to 167.6.

CENT. PAT.'S MILL RUNS AT PROFIT GOOD ORE SHOWN

Debate Ways and Means of Financing Springer Group

Initial production from Central Patricia's new 75-ton mill in the Pickle Crow area of Ontario, has already struck a profitable stride, F. M. Connell, president of the company told The Financial Post. Started May 27, the new mill treated 476 tons of ore averaging .86 oz. of gold per ton during the first ten days operation. The extraction was 79 per cent and while regarded as low reflects the tuning up period and bears but little relation to ultimate recovery. It is known that the ore testing laboratories at Ottawa have been experimenting with the ore and have no difficulty in obtaining satisfactory recovery. The tailings from present operations are being impounded.

While the shaft has been sunk to a depth of 500 ft. it has been dewatered to only 375 ft. while stopes have been opened up on the 125 ft. and 250 ft. levels. The average stope width of the "B" ore shoot has been found to be 7¾ ft. while the "C" ore shoot has been shown to average 10½ ft. width. A raise in the "B" ore shoot from the 250 ft. to the 125 ft. level has been completed and a raise in the "C" ore shoot from the 125 ft. level to the surface has almost been completed. Good ore is reported from mine officials in all the raises.

Early Report Conservative

Officials confirm the fact that since the commencement of mining operations this spring work has shown the report made by John A. Read, consulting mining engineer, in 1920 to be conservative in grade width and tonnage. At the time of Mr. Read's report the known ore in the "A", "B" and "C" shoots was estimated at 33,155 tons averaging .66 oz. of gold per ton, with the "C" shoot showing the highest grade averaging .72 oz. in gold. No work has been done since 1930 until this year, and the limited work done is greatly extending the ore reserves.

Steam power is being used until the completion of the hydro-electric development on the Albany River, by the Hydro Electric Power Commission. This is expected to be finished late this year.

Now that the property is in profitable production no further financing is anticipated. There are 2,431,069 shares out of the 2,500,000 shares authorized, presently outstanding.

Discuss New Company

The Springer group of claims about 2½ miles from the main group now in production, were diamond drilled in 1933 with encouraging results, confirming the rich surface showings. It is not planned to do deep development work here until electric power is made available late this year. While the property is 100 per cent owned by Central Patricia consideration has been given to the formation of a separate company to develop this property. Central Patricia would act as vendor and financing would be arranged by offering rights to Central Patricia shareholders, which would keep it 100 per cent within the present shareholders. As an alternative it has been suggested that by the time electric power is available for intensive development, profits from Central Patricia will have mounted to a substantial figure, and as production continues ample funds will be made available for the development of Springer claims. In either case the results will be same for Central Patricia shareholders.

B. R. X. GOLD HOPES FOR POWER JULY 15

Completes Ore Pocket of 75 to 100 Ton Capacity at 340 Feet

From Our Own Correspondent

VANCOUVER — Another ore pocket with a capacity of between 75 and 100 tons at the 340 ft. level of the three-compartment shaft at B.R.X. Gold Mines will be completed this week, according to official report.

S. R. Smith, managing director of the company stated this week that the shaft has followed the dip of the hangingwall vein which lies close to the footwall vein with some portion of the hangingwall vein being in the shaft for the entire distance. Muck car samples, containing considerable dilution from wall rock, have assayed from .08 to .29 ounces of gold per ton with some selected material running much higher. The vein is reported to be wide and is becoming more consolidated as depth is gained. Some fine free gold has been apparent from the 250 ft. level down.

The objective is the footwall vein located in the same shear zone and in close conjunction with the well mineralized hangingwall section, according to the managing director. It may be necessary to crosscut a few ft. from the shaft to the footwall vein, although the diamond drill core indicated that these veins had apparently merged at 500 ft.

Power from B. C. Electric, will be delivered by July 15. A new Ingersoll-Rand 275 h.p. compressor has been ordered for operation by the time power is available. Company has $140,000 on hand after paying all accounts including shaft contract to 250 ft. level. 200,000 shares remain in the treasury.

Kirkland Gateway Gold To Form New Company

At a recent annual meeting of Kirkland Gateway Gold Mines shareholders approved a by-law authorizing directors to form a new company, with a capital stock of 3,000,000 shares to develop the Swastika property. The name of the new company will be decided later. The property is at present under lease. The underground workings have been dewatered, plant reconditioned, and some exploratory work done on the 100 and 200 ft. levels. It is reported that Gateway shareholders will receive one new share for each old one.

Mining Moguls Meet in the Pickle-Crow Area

Unprecedented interest is being shown in the Patricia district of Ontario at the present time and no new section can boast of so much activity or so many new gold producers in the offing. Until this spring the Howey was the lone gold producer in the area. Now Central Patricia is in production, McKenzie Red Lake Gold Mines is making ready for a mill as is the Pickel Crow Gold Mines. At Summit Lake the Casey Summit Gold Mines expects to have its new mill in operation before many weeks.

The men who have helped make these mines and pictured above, are form right to left. J. H. C. White, director of Central Patricia; Fraser D. Reid, general manager of Howey Gold Mines; John E. Hammel, promoter and director of Howey Gold Mines; Fred M. Connell, president of Central Patricia Gold Mines; George Webster, director of West Red Lake Gold Mines, presently under development.

Canada Wins Free-for-All In Tilt for Greatest Mine

Many Factors Enter Debate on Most Productive and Most Valuable Property

Material for argument galore is contained in the question: "Which is the world's largest producing mine (a) in ore treated; (b) metal production; (e) value?"

In order to enter into such a debate at all, one has to be willing to waive many factors which might materially alter the conclusion. For instance, if a company is operating mines which are many miles apart, and could not be considered as one unit, it might be argued that it would be inaccurate to compare its output with that of a company dependent on one area alone. Secondly, prices vary so much that a comparison of one year with another is extremely difficult. Then one company might pursue a policy of conservative production from a large ore body; another of rapidly depleting a smaller ore body, and showing, for a brief life and a merry one, a much larger production. Another problem is afforded by varying production costs.

Canada Takes Palm

But casting aside all Queensbury rules, and getting right down to bare fists, Canadian mines take the palm in metal production, and value of production.

Taking the peak years of the various companies involved in the scrimmage. Utah Copper mine, which, in 1929 treated 17,700,000 tons of ore, sets the all time high for quantity of ore. Second place in this class, based on the tabulation below, is won by Chile Copper, which, in the same year, treated 10,600,000 tons of ore. International Nickel wins fifth place for Canada by treating, in 1930, a total of 2,041,000 tons.

In the next round, based on total metal production, Consolidated Smelters wins hands down by producing 151,000 tons of lead and 120,000 tons of zinc, or a total of 271,000 tons of base metals in 1930 not to mention its silver production. Closest competitor in this class is Union Miniere, which produced 153,000 tons of copper, in the same year. A Canadian mine, International Nickel, is third, with a total of 129,650 tons of metal produced.

Although it appears in the following table that the total value of International Nickel's output in copper and nickel was $42,700,000 in 1930, as compared to a value of $54,300,000 placed on Chile Copper production, it must be remembered that only a small part of Nickel's production is brought to final marketable form in Canada, and the figures in the tabulation are based on those of the Canadian Department of Mines. Were the net value of Nickel's output judged on the selling price of the product after it had been fabricated it would be more apparent that International Nickel was by far the world's most valuable mine.

Thus to Canada goes two out of three rounds in the fight for the world's championship mine. If a fourth round is wanted, based on the potential life of the mine, the palm for potential longevity must go to the Chuquicamata mine of the Chile Copper Co., which has been given a lower limit of 1,000,000,000 tons of ore reserves. No one has ventured an upper limit. This is conceded by engineers to be without rival in the world.

But Canada could, if she were not weighted down with honors enough now, claim this round, if the criterion were basic value. For engineers generally concede that for sheer potential value of ore reserves, the crown must go to the Frood mine of International Nickel.

The score round by round is as follows:

MAXIMUM YEAR AND VALUE

Company:	Location	Year	Tons of Ore	Metal Prod.	Value $
Gold:					
Govt. areas	So. Africa	1932	2,500,000	1,146,000 oz.	23,700,000
Crown mines	So. Africa	1933	3,480,000	1,043,500 oz.	27,800,000
New Modder.	So. Africa	1928	1,630,000	898,000 oz.	....
Hollinger	Canada	1926	1,929,988	760,000 oz.	15,750,000
Lake Shore	Canada	1932	818,698	610,500 oz.	12,650,000
Silver:					
Real del Monte	Mexico	1929	1,400,000	21,000,000 oz.	11,100,000
Santa Gertrudis	Mexico	1928	710,000	10,600,000 oz.	6,200,000
Con. Smelters	Canada	1930	1,924,000	6,936,759 oz.	2,650,000
Copper:					
Union Miniere	Bel. Congo	1930	2,500,000	153,000 tons	39,800,000
Chile Copper	Chile	1929	10,600,000	150,000 tons	54,300,000
Utah Copper	U. S.	1929	17,700,000	148,000 tons	53,700,000
Int. Nickel	Canada	1930	2,041,000	70,150 tons	18,200,000
Lead:					
St. Joseph	U. S.	1929	5,300,000	166,000 tons	22,800,000
Con. Smelters	Canada	1930	1,924,000	151,000 tons	16,600,000
Burma mines	Burma	1929	351,000	90,000 tons	12,300,000
Zinc:					
Con. Smelters	Canada	1930	1,924,000	120,000 tons	11,500,000
New Jersey	U. S.	1929	650,000	100,000 tons	13,000,000
Giesche	Poland	1930	550,000	79,000 tons	7,200,000
Nickel:					
Int. Nickel	Canada	1930	2,041,000	59,500 tons	24,500,000
Tin:					
Patino mines	Bolivia	1929	980,000	23,000 tons	21,100,000

VERAGUAS TREATS 1,100 TONS IN MAY

Average Recovery Was About $40 Per Ton of Ore, Report Shows

Veraguas Mines, subsidiary of McVittie Graham Mines in Panama, had a production of $43,400 in gold 1,246 oz. of silver and 23,000 pounds of copper in May from the treatment of 1,100 tons of ore milled. This is an average of 35 tons of ore daily and an average recovery of about $40 per ton of ore.

Production started last December and while no financial statements have been made since the end of last year, officials express entire satisfaction with the initial results being obtained. As at December 31, 1933, Veraguas had current assets of $77,038 while current liabilities totalled $16,271. In addition there was outstanding $274,358 owing to McVittie Graham Mines which had financed development and mill construction. McVittie is to be paid back this loan out of profits. In consideration for the advance McVittie was issued 420,000 out of the 750,006 shares presently outstanding.

Lardeau Plans Shipment Of Ore in Month's Time

From Our Own Correspondent

VANCOUVER — The first ore shipment from the property of Lardeau Gold & Silver Mines, located on Mohawk Creek about five and a half Miles from Camborne in the Lardeau district, is to be made within the next 30 days, according to present plans, it is announced.

Development work to date, it is understood, has disclosed a substantial tonnage of ore. Already some 2,600 ft. of underground work and 3,000 ft. of stripping and trenching has been carried out at a cost of approximately $100,000.

The present company took over the property from the Pool Mountain Gold Mines, a private company, which has carried exploration work to its present point.

Financing now being completed will provide funds for further extensive development.

Power for operations will probably be drawn from the east fork of Mohawk Creek, which flows past the camp. From 100 to 200 horsepower can be developed from this source, it is estimated.

Operations at the mine will be managed by C. G. Beeching.

ADVERSE REPORT SEEN AS CAUSING WAYSIDE SLUMP

Col. Yuill Engaged to Make Further Study of B. C. Property

The weakness in shares of Wayside Consolidated Gold Mines, with a decline to 16 cents from a high of 50 cents in February last finds an explanation in the report of Author Notman, consulting mining engineer of New York, who recommends that no further money be spent on the property.

An official report to shareholders advises that Mr. Notman's report has just been received and in view of the serious nature of his report the company has arranged for Col. H. H. Yuill, well-known Vancouver consulting engineer, to make a checking report and see if he agrees with Mr. Notman's conclusions.

The company's property comprising 21 claims in the Bridge River area of British Columbia, two miles above where Gunn Creek flows into the Bridge River was one of the first properties staked in the district in 1897. The present company was incorporated in 1928 with a capitalization of $2,000,000 in 50 per cent par value shares. At the annual meeting of shareholders in December last the capitalization was increased to $2,500,000 and 500,000 shares were underwritten at 30 cents per share by interests closely associated with the Smith-Spencer-Sloan group. The statement to shareholders advises that 450,000 of these shares were actually taken up and $135,000 placed into the treasury of the company. At the present time it is understood that about $130,000 remains. At the time of refinancing early this year mill construction was started by clearing the site and starting foundations, it being claimed by officials that an unofficial estimate had placed the indicated ore reserve at 166,000 tons averaging between $4 and $5 per ton.

When Mr. Notman made his first examination in February this year work on the mill was suspended, awaiting his final report that has now been made public.

A great deal of work has been done on the property during the past 35 years and there is certainly evidences of much mineralization of two distinct types. One comprising quartz veins similar to those at the Pioneer property and carrying high grade values in spots. The other is a sheared zone carrying low values but apparently substantial tonnages.

Another chapter will doubtless be written when the report of Col. H. H. Yuill is presented for he is recognized as one of the outstanding engineers on the Pacific Coast.

Dynamo Mining & Milling Seeks Development Funds

From Our Own Correspondent

VANCOUVER—Announcement is made here of a new public issue to be made shortly, when Dynamo Mining & Milling Co. seeks public financing to bring their property to the production stage.

The new company will take over the property of the Dynamo Mines Syndicate in the Greenwood district. For several months past this syndicate headed by Fred L. Foster of New York and composed of Eastern United States financial interests, has been operating the Dynamo property, doing exploration and development work. It is understood that the present financing will provide funds for the construction of a 100-ton mill and for general expansion purposes, in order to put the property into production.

S. Tiblemont Find Vein at Depth of 242 Feet

From Our Own Correspondent

AMOS, QUE. — South Tiblemont Mines report having cut a new vein in the shaft at a depth of 242 ft. Unlike surface occurrences, the vein is well mineralized with copper and pyrite, and has a width of about nine ft. J. C. R. MacPherson advises that a station on the second level, or 250 ft. horizon is now being established.

DOUBT DISPELLED AS CARIBOO GOLD RELEASES REPORT

President Takes Strong Exception to Now-famed Joralemon Document

WAIT FOR WYNNE

Engineer Sees "No Reasonable Chance" of Developing Large Ore Bodies —May Make "Small Mine"

The atmosphere of doubt and mystery which has surrounded Cariboo Gold Quartz, since the management, at an annual meeting refused to release to shareholders the now famous Joralemon report, has now been more or less dispelled by the action of directors in releasing it to the public.

Dr. W. B. Burnett, president of the company, is frank in stating that there are many points in the Joralemon report with which he takes strong exception. Before copies are distributed to shareholders the company will wait for the report of John Norman Wynne of the British firm of McCarthy & Binns. Digests of the two reports will then be given shareholders. In an exclusive interview by the Financial News & Mercantile Review of Vancouver, the report was released to the public.

Highlights of Joralemon's position are as follows:

Wants Newmont Deal

1. Cariboo Gold Quartz Mine has "no reasonable chance of developing large ore bodies," but with economical management it should be able to make an operating profit of $325,000 a year for at least 10 years.

2. That mining and milling costs are "hopelessly excessive" and should be reduced to $10 a ton, with $17.50 ore netting $7.50 a ton.

3. Total area partly prospected is only 7.2 per cent of the main mineralized belt in Cariboo Gold Quartz ground.

4. That formation in which ore occurs on property should go as deep as veins are likely to be mined.

5. That there are at least two promising undeveloped fissure zones ahead of main tunnel which are likely to disclose additional ore.

6. He recommends a deal with Newmont, giving them 400,000 shares Cariboo Gold Quartz in return for Island Mountain and Barkerville Mountain properties adjoining the Quartz holdings, and turning over management to Newmont on a contract basis.

Dr. Burnett Counters—

To which Dr. Burnett replies:

1. It is gratifying to know that mine will support a 120-ton mill for 10 years, making good profit, but that work to date does not indicate it will be merely a small mine.

2. The mining and milling costs are not now in excess of $10 a ton, although it is recognized that desire for speed has made development costs higher than they would otherwise be. Questions Joralemon's figures on mill and power costs.

3. That some of the mine's most promising ground lies still ahead and that only two of original five main objectives have been opened, with Pinkerton and Wells showing still to be developed.

4. That Mr. Joralemon must like the area if he recommends giving Newmont shares worth $600,000 at present market for two groups of claims which he (Joralemon) did not examine and on one of which (Island Mountain) it is known that the two main veins dip into Cariboo Gold Quartz ground.

6. That the verdict of the Wynne report, requiring six weeks study on the ground, will carry more weight with management than Joralemon report.

Approached by Directors

Explaining the event which led up to the present situation, Dr. Burnett said that two Vancouver men had approached the directors several months ago and showed them that they had bought large amounts of Cariboo Gold Quartz stock at the peak price of $4.50 a share. The two men were greatly alarmed about the steady receding price. They pleaded with directors to allow them to send their own engineers to the property to report to them. They mentioned Mr. Joralemon's name and since he was an engineer of considerable reputation the directors of Cariboo Gold Quartz agreed to send him to the mine and to defray all costs themselves.

Before this however, the company had negotiated with McCarthy & Binns with the result that Mr. Wynne was dispatched from England to study the property.

When Mr. Joralemon arrived he was accompanied by Mr. Dewitt Smith, vice-president of Newmont Mining Corp., New York. Free access to the mine and to the mill flow sheet and other information was freely given the two men. Dr. Burnett explained. The two men spent five days on the property.

Mr. Joralemon's report was not ready until so close to the annual meeting date of May 30 that there was no time to send a copy to the mine for information, opinion or check-up with which to answer some of the Joralemon statements. Independently of his report, Mr. Joralemon recommended that some sort of a deal should be arranged with Newmont Mining Corp. whereby the Cariboo Gold Quartz property should be merged with the holdings of Newmont on Island Mountain and Barkerville Mountain so that they could make one large unit. He also urged, that the Newmont management should be applied to Cariboo Gold Quartz on a contract basis. As a basis of settlement he suggested that in return for its two properties Newmont should receive 400,000 shares from the treasury of Cariboo Gold Quartz. Called into consultation, Dewitt Smith refused to make a definite offer at that time. This gave Dr. Burnett grounds for saying at the annual meeting that he had received no offers from Newmont interests.

Just a "Small Mine"

The chief blow to the Cariboo Gold Quartz directorate is the clause in Mr. Joralemon's report in which he says—"25,000 ft. of underground workings is the Cariboo Gold Quartz and adjoining properties have proved beyond reasonable doubt that there will be no great mines in this area. With economical operation, however, the property should be a profitable small mine that will pay moderate dividends for many years."

Dr. Burnett however, is firmly convinced that no engineer or geologist in the world can spend a few days in a mine and yet be in a position to make such a positive statement regarding the vast surrounding area in which many veins occur and on which comparatively little work has been done.

It is expected in mining circles that one major result of the Joralemon report will be that the ambitious plan which includes the building of a huge mill of 1,000 to 2,000 tons capacity will be deferred. Unless the Wynne report recommends otherwise, operations at this mine will proceed on a more conservative basis, it is expected. Officials state that it is the intention now to put the mine on a profit-making and dividend-paying basis without further delay. In at least one point will the management ignore the Joralemon report. They state that the ratio of development work to productive mining and milling will not be reduced, but instead of being charged to current operations it will be charged to capital and will not interfere with dividend payments.

Disputes Cost Figures

In reply to charges contained in the report that operating costs at Cariboo Gold Quartz were "excessively exorbitant" Dr. Burnett declared that Mr. Joralemon's figures are astray. He states that the New York engineer would not permit the staff at the mine to explain the accounting system, but insisted on examining the books himself. Joralemon puts the operating cost at $13.40 per ton, whereas Dr. Burnett states that these costs do not exceed $10. per ton.

In the annual report published a few weeks ago, covering operations for the fiscal year ended January 31, last, total operating charges as shown in the income account were $11.04 per ton of ore milled. This included $1.63 for plant depreciation and a like amount for administration expenses. Owing to the extensive development programme under way, a portion of the development charges were capitalized to be written off from future years operations. These charges amounted to $7 per ton of ore treated so that the operating expenses were $18.04 per ton of ore treated. This does not however give a true picture of costs since it covers initial operations and a period when work was being pushed resulting in unusual high costs.

In the meantime, shareholders can only wait until the Wynne report is made public. Whether or not it sustains or contradicts the Joralemon report, it is understood that it will have a more influential effect on the future policy of the company than has the voluminous statement of the New York engineer.

Recorder Very Busy In Long Lac Area

With little ballyhoo or fuss, a staking rush of sizeable proportions is at present going on in the Little Long Lac area, it is reported.

In May, 400 newly staked claims were registered at the recorder's office in Fort William, and already this month over 100 new claims have been staked.

The developments to date and the companies interested give evidence that for magnitude of operations it is Ontario's next gold camp of importance. No properties are yet in production but Little Long Lac Gold—pioneer in the area—expect to be in operation by September.

Michipicoten Gold Mines Offering 500,000 Shares

Incorporated in March of this year, with an authorized capitalization of $2,500,000 of $1 par value shares, Michipicoten Gold Mines is currently offering the public 500,000 treasury shares at 30 cents per share.

It is understood that Diment & Co., investment brokers, have underwritten the entire stock available in the treasury, amounting to 1,500,000 shares. Prior to incorporation, 1,000,000 shares were issued for property and development.

The company holds title to 11 mining claims, comprising about 300 acres, township 29, in the Michipicoten area. In addition the company holds under option agreement ten mining claims, comprising about 250 acres. This property adjoins that of Parkhill Gold Mines, and is just east of Minto Gold Mines. The company states that seven gold bearing veins have been located.

Channel sampling on one of these veins, treated for a length of 1,200 ft. averaged $25.35 in gold, at present prices, company officials claim.

The board of directors of the new company comprise J. Clark Bell, Bowmanville, pres.; W. A. Hesse, Toronto, vice-pres. and gen. man.; Thomas Kerr, Toronto; Herbert J. Brydges, Montreal, and A. A. Ogilvie, Mimico, directors.

The head office of the company is in the Concourse Bldg., Toronto.

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EFFORTS REVIVED TO MINE CHROMITE IN N. W. ONTARIO

A. R. Globe Behind New Company to Promote Obongo Lake Venture

Northwestern Ontario in the rôle of a possible chromite producer again steps into the limelight with the formation recently of the Chromium Mining & Smelting Corp., an Ontario incorporated concern with an authorized capitalization of 3,000,000 no par value shares and with head office in Hamilton.

Of the authorized capitalization, 900,000 shares have been issued to vendors, and are held in escrow. Among the vendors is A. R. "Sandy" Globe, who has been active in promoting the property for a number of years. The directorate of the new company comprises A. R. Globe, president; R. S. Hart, vice-pres.; Frank J. Maw, Scott Misener, and R. O. Denman, directors. With the exception of Mr. Misener, who lives in Port Colborne, all the directors are Hamilton men.

An issue of 600,000 shares is currently being offered the public, this issue being handled by Angus & McDonald, and T. Ross Boys, Hamilton stockbroking firm. It is understood Denman & Co. of Hamilton, have underwritten the entire issue.

While the charter of this company covers only the production and smelting of chromium, and says nothing about the mining of chromite, The Financial Post understands that A. R. Globe, whose name appears on the directorate of the new company, plans to refinance the Chromium Alloy Co. to take care of the mining end of his revived venture. It is also learned that Mr. Globe has disassociated himself with the group of New York financiers who promoted the company on a former occasion.

Discovered in 1928

The first known discovery of chromite in Ontario was in 1928, when W. Keefe and R. A. MacDonald staked property on an island at the north end of Chrome Lake, which is west of Lake Nipigon and almost due north from Port Arthur. This group of claims was taken over by Golden Centre Mines, and a subsidiary known as Consolidated Chromium Corp. formed to develop the property. Due to financial difficulties, the company suspended operations in October, 1930. Up to this time, Charles V. Bob and his associates had been interested in the property, and had financed a certain amount of development work, which included the sinking of a shaft to a depth of about 300 ft. About 500 ft. of crosscutting, and 100 ft. of drifting had been done before Bob and his promotion went into bankruptcy.

Early in 1933, interest in the property was renewed when the Chromium Alloy Co. was formed, again with New York sponsors. At this time, to obtain material for large scale tests, a quantity of ore, stated to be 70 tons, was mined from one deposit, and hauled by tractor to Collins Station, from where part of it was shipped to Niagara Falls, N.Y. for treatment.

Mr. Globe told The Financial Post that results from this treatment were satisfactory, and warrant continuing the project.

NEW PARKHILL VEIN SEEN ENCOURAGING

Has Been Opened on the Seventh and Eighth Levels in Good Ore

A progress report on Parkhill Gold Mines over the signature of Sir Thomas Tait, confirms the encountering of a new north-south vein of apparent importance and the acquisition of additional claims to protect it, as announced in The Financial Post several weeks ago.

Encountered on the 7th and 8th levels the vein has now been drifted on for 349 ft. on the 7th level and 258 ft. on the 8th level. The official report says "high grade ore is found in conjunction with low grade ore." Since this is the way most ore is found, mining men view the statement as ambiguous, but feel that it is one of the important developments in the affairs of the company in some time.

The vein is reported to dip to the east. On the 7th level it is 270 ft. west of the shaft while on the 8th level it is 190 ft. west of the shaft. The shaft is to be deepened at once from the present 8th level to the 9th or to a depth of 1,145 ft. on the dip of the vein, after which it is to be sunk a further 145 ft. to the 10th level.

Little Long Lac Finishes Foundation for New Mill

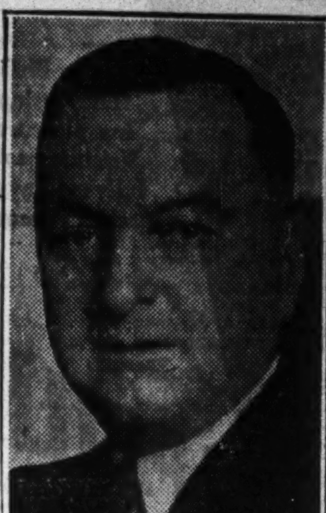
Joseph Errington, president of Little Long Lac Gold Mines, reports that foundations for the proposed 250-ton mill have now been completed. Extension of the hydro power line from Beardmore is progressing, and it is hoped power will be available by the time the mill is ready to turn over, which will be about Sept. 15. The company is now employing about 150 men in mill construction and underground work. The shaft has reached a depth of 620 ft. Drifting is continuing on the fifth level.

B. R. Con. Cut Ore On California Vein

From Our Own Correspondent

VICTORIA.—Unofficial but reliable information states that the Bridge River Consolidated Mines, under development by Consolidated Smelters, has cut the California vein in the 300-ft. tunnel and has drifted in ore for 25 ft. The strike was made 150 ft. above the point intersected with the diamond drill early this year on the adjoining property of the B.R.X. Mines.

President



R. I. CLANCEY

Appointed the new president of St. Lawrence Securities Co. Mr. Clancey has for many years been Dominion superintendent of the Aetna Life Insurance Co. which included charge of the Toronto agency.

STERLING COAL NET LOSS $20,446 CUT LIABILITIES

Working Capital Substantially Improved By Reducing Bank Loan

Sterling Coal Co. showed a net loss of $20,446 for the year ended Mar. 31, 1934, which was practically the same as for the corresponding period in 1933, when the loss was $19,864. Net earnings of $72,623, depreciation and bond interest were almost identical with the same items a year ago. The previous surplus of $200,668 was reduced to $180,222.

C. B. McNaught, president, states that the business of the Conger Lehigh Coal Co., a subsidiary, showed an increase in tonnage and sales and the dock leased to meet changing importing and distributing conditions is now being operated to advantage. He also stated that the petroleum products division of the company showed an increase in sales.

Consolidated Income & Surplus Account
Years Ended March 31

	1934 $	1933 $
Net earnings	72,622	73,312
Less: Depreciation	50,378	50,062
Sterling Coal bond int.	42,690	43,114
Net loss	20,446	19,864
Previous surplus	200,668	326,393
Less: W/o invests. in & advs. to subsids., less profit on bonds redeemed	......	105,861
Balance forward	180,222	200,668

Working capital was increased substantially from $252,698 in 1933 to $300,079 in 1934, the difference being chiefly due to special accounts receivable, bank balance and other assets at Cleveland valued at $48,956 and $12,450, the balance owing on sale agreement, mortgage and loan receivable and accrued interest. Cash on hand, which stood at $42,618, was slightly higher than in 1933, while bonds amounting to $132,445 were very much lower than in 1933 when they amounted to $228,213. On the other hand, this item was more than counterbalanced by the reduction of approximately $144,000 in the bank loan which stood at $103,832 in 1934 as compared with $247,479 at the end of the previous year. Merchandise was up about $5,000 to $55,972. Accounts payable were up from $117,827 to $174,292 in 1934, while bond interest outstanding of $15,621 was slightly higher than in 1933 when the item was $14,813.

Working Capital

	1934 $	1933 $
Current assets	598,676	632,817
Current liabilities	298,597	380,119
Working capital	300,079	252,698
Ratio	2.00—1	1.66—1

Maple Leaf Mines Liquid Position Good

At the annual meeting of shareholders of Maple Leaf Mines held in Toronto on June 15 a financial statement dated February 9, 1934, was presented showing current assets comprising $72,675 in cash in addition to 472,200 shares of Casey Summit Gold Mines. Current liabilities total $3,580.

At the date of the financial statement 2,278,883 shares out of the authorized capitalization of 3,000,000 shares were outstanding.

The statement, however, does not give a true picture of the company's present situation owing to the exercising of further options on Casey Summit shares. In all Maple Leaf took up 2,000,000 Casey Summit shares of which 400,000 were sold to the Coniagas Mine at a profit. This, together with the sale of further Maple Leaf treasury shares, bringing the total outstanding to 2,700,000 on March 1, considerably alters the company's liquid position.

The meeting was routine in nature, the existing directors being re-elected with Howard L. Walker as president.

Con. Smelters Declares $1 Semi-annual Dividend

Directors of the Consolidated Mining & Smelting Co., meeting in Montreal on June 19, restored the semi-annual cash dividend policy by declaring a dividend of $1, payable on July 16, 1934, to shareholders of record June 30, thus placing the company on an annual basis of $2.

Metal Prices

New York—June 19—
Copper: Electrolytic spot and future, 9c.
Silver: 45⅛c.

London—June 19—
(Long Ton)—
Copper: Electrolytic spot, £35 5s.; future, £35; Standard spot, £32 5s.; future, £32 12s. 6d.
Tin: Spot, £225 12s. 6d.; future, £226 2s. 6d.
Lead: Spot, £11; future, £11 5s.
Zinc: Spot, £14; future, £14 5s.
Silver: 19-13/16d. per ounce.
Gold: 137s. 9½d.

Canada—June 19—
Gold: $34.21.

Mining Stock Quotations

Week Ending June 19

OIL STOCKS

Par Val.	Range 1934 High	Low	Company	Sales	Close June 11 (or last)	High for week	Low for week	Close June 18
1	.47	.30	McLeod	350	.38	.32	.32	.32
No	.22	.12	Mercury	2,800	.13	.14	.13	.13
No	.22	.10	Mill City Pete	......	.12	......	......	......
1	.33	.20	Model	1,800	.20½	.22	.20	.20
No	.18	.06½	Okalta	4,800	.06½	.07	.06½	.07
100	30.00	18.00	Do., pref.	......	......	......	......	......
No	.17	.06	Pacalta Oil	8,000	.08½	.07½	.06	.06
No	.75	.14	Ranchmen's	2,400	.75	.75	.68	.70
No	.04	.02½	Richfield	......	.02½	......	......	......
1	.42	.20	Spooner	40	.25	.20	.20	.20
No	.11½	.05	United	8,700	.05	.05½	.05	.05
No	.50	.11	Vanalta	6,620	.20	.23	.19	.20
1	.20	.16	Vulcan	......	.16	......	......	......
1	.35	.15	Wellington Oil	......	.33	......	......	......

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Acme Gas†	2c.	.....	McIntyre	1.62½	3.30
Ajax Oil	8c.	7.40	Mercury Oils	4c.	.....
Bralorne	60c.	4.05	Merland Oils*	5c.	.....
Bulolo Gold‡	60c.	.....	Model Oils	3c.	.....
Coast Brew	92c.	7.23	Noranda‡	$1	.....
Coniagas‡	12½c.	.....	Petrol Oil‡*	1c.	.....
Cons. Smelters	1.50	.....	Premier	12c.	9.60
Dome Mines	$2+$1.50	7.91	Pioneer, B.C.	60c.	4.33
Falconbridge	5c.	.....	Royalite	50c.	.....
Goldfield Cons.‡*	5c.	.....	San Antonio†	5c.	.....
Hollinger	65c.+30c.	5.40	Siscoe	12+3c.	.....
Howe Sound	$3	.....	Sunshine Min.	5+7c.	.....
Howey Gold	6c.	.....	Sylvanite	20+5c.	.....
Int. Coal & Coke‡	1c.	.....	Teck-Hughes	60c.	8.95
Int. Nickel c.	10c.	.....	Wright-Har.	40+10c.	5.18
Lake Shore	$2+$1	5.66			

‡Interim. †Initial. *Paid in 1933.

Unlisted Mining Stocks

June 19, 1934

	Bid	Asked		Bid	Asked
Adanac	..	.25	Kirk. Gold	.26	.30
Arntfield Gold	.70	.78	Kow Kash	.03	.05
Arntfield Synd.	.70	.78	Kirk. Premier	..	.03½
Assoc. Gold M. & F.	1.05	1.15	Lafayette L. Lac	.18	.20
Astoria Rouyn	.11	.13	Lake Geneva	.10	.15
Bankfield Gold	.49	.52	Long Lac Adair	.36	.40
Bathurst	.03	.04	Long Lac Lag	.38	.41
Beattie	1.38	1.43	Lamaq. Contact.	..	.22
Bidgood	.02¾	.03¾	Lamaque Gold	2.25	2.50
Big Long Lac	.15	.18	McCarthy Webb.	.05	.07
Black River	.28	.31	McL. Cockshutt	.57	.60
Bussieres Min.	.60	..	McQuaig R. Lake	.40½	.43
Calder Bosquet	.25	.30	Manco	..	.20
Can. Pandora	.13	.15¼	Matachewan Can.	.13	.16
Can. Radium	.06	.10	Metals Devel.	.04½	.06
Canusa Mining	.06	.08	Middle Bay	.27	.30
Casey Summit	.65	.75	Miller Indep.	..	.35
Cen. Malartic	13.00	17.00	Minefinders	2.00	3.00
Cent. Porc.	.50	.58	Martin-Bird Un.	20.00	23.00
Clover G. Units	..	43.00	Murwood	.33	.36
Cochenour Wil.	70.00	80.00	Mosher Gold	.26	.29
Columario (old)	.20	.25	Mont. Acker.	..	.30
Condor Cons.	.30	.33	N.A.M.E. Units	10.00	14.00
Continental Kirk.	.05	.08	Newroy Gold	.25	.35
Crown Reserve	.04	.06	Normetal Mine	.45	..
Cuniptau	.50	.60	N. Tiblemont Units	5.00	10.00
Delta Units	45.00	65.00	O'Connell Gold	..	.38
Demers Placer	.85	.90	Peninsular Pet.	.00½	.01
Domest. Gas	1.50	2.00	Pontiac Rouyn	.63	.67
Dunlop Cons.	.01¾	.02¾	Powell Rouyn	.95	1.10
Eagle Oil	.65	.75	Que. Eureka	.09	.12
El Bonanza	.18	.21	Queen Lebel	.12	.15
Fiske	.01	.03	Red Lake Gold	..	.25
Fleming Thomp.	55.00	75.00	Rouyn Reward	.34	.36
Francoeur Mines	..	.25	Roche Long Lac	.30	.32
Glenora Gold	.32	.37	Rubec	.03¾	.04½
Glenwood	..	.28	Scotia Gold	.32	.37
Gold Eagle	.50	.52	Senneterre Gold	10.00	15.00
Excello Mines	.24	.28	Shawkey	.34	.37
Golden Summit	.20	.30	Silveradium U.	125.00	150.00
Goldside Stk.	.29	.33	Silver Valley	.03	.05
Goldside Units	50.00	55.00	Smelter Gold	.29	.31
Gold Bar	.29	.33	Sourdough Un.	5.00	10.00
Gr. Bear Dev.	.20	.25	So. McK. Island	.33	.35
Gr. Bear Lake	.27	.37	Supreme Gold	.17	.19
Gabrielle	.74	.78	Talisman Gold	.19	.23
Hardrock	.82	.85	Tashota Goldfield	.38	.43
Hardrock Rock Units	70.00	74.00	Tiblemont Island	.78	.84
Herbin L. Un.	18.00	22.00	Titurno Units	..	20.00
Horseshoe	.08½	.10½	Toburn	1.38	1.43
Hudson Pat.	.55	.58	United Gold	1.00	1.10
Internat. Gold	.28	.34	Upper Can. Gold	.27	.29
Island Lake	.08	.12	Wendigo	.75	.80
Johnson Nipigon	..	.23	West Red Lake	..	.22
Kenty Gold	..	.70	Young Davidson	.31	.36
Jomac Units	.32	.34	Wingold	.33	.36

Source of quotations on application. Not guaranteed.

Winnipeg Stock Exchange

(Transactions for week to June 16)

Div. rate in $	Yield in %		Sales	High for week	Low for week	Close June 16
..	..	Bailor Gold	10	4.50	4.50	4.50
..	..	Grouped Income Shs.	300	3.95	3.95	3.95
..	..	Forty-Four	49	16.00	15.00	15.00
..	..	Gabrielle	8,900	.77	.61	.73
..	..	Island Lake	1,000	.10	.10	.10
..	..	Long Lac Adair	800	.34	.33	.34
..	..	Long Lac Lagoon	500	.45½	.45½	.45½
..	..	Man. & Eastern	4,700	.23½	.22½	.23
..	..	McLeod Cockshutt	900	.58	.55	.58
..	..	Rice Lake Units	20	16.00	15.50	15.50
..	..	Toburn	40	1.35	1.35	1.35
..	..	Scotia Gold	7,000	.35	.32	.32
1	10	United Grain Grow.	1	10.00	10.00	10.00
..	..	Wallace Lake	400	.19	.19	.19
..	..	Wylie Dominion	500	.43	.43	.43

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Fire	..	100	Pelissiers, c.	½	..
Beaver Lumber, pf.	..	63	Pelissiers, pref.	..	23
Do., com.	..	3½	Sov. Life 25% pd.	..	17
Can. Fire Ins.	50	..	Traders' Bldg.	..	65
Crescent Cream. pf.	28	..	West Breweries	.90	1.10
Federal Grain pref.	15	17	Can. Amer. Tr. shs.	2½	3½
Home Investment	19	...	Can. Inv. Fund	..	3.55
Monarch Life	..	20½	Fundamental Ser. A	..	4½
Northern Trust	10	..	Fundamental Ser. B	3½	..

*Stocks more active on other exchanges not included.

Listed Bond Quotations

Week Ending June 18, 1934

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1934 High	Low
Mtl. L.H.&Pr. debs.	3	1939	3.95	46	46½	46	47½	43½
Mtl. Trams.	5	1941	5.17	..	99	..	101	97½
Unlisted								
Cons. Paper	5½	1961	...	..	20	..	25	13½

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

VANCOUVER STOCK EXCHANGE
(Transaction for Week to June 13.)

B. C. "Gold Minded" Expect Big Output

From Our Own Correspondent

VANCOUVER.—With the British Columbia Minister of Mines estimating a probable gold output for the province of $11,500,000 for 1934, and some well-informed operators and mining men accusing him of being unduly conservative, practically the entire free male population of the province is taking to the hills looking for a personal mine.

BRIDGE RIVER AREA NOW HAS PHONES

B. C. Telephone Co. Plans Further Expansion to Meet Demands of Mines

From Our Own Correspondent

VANCOUVER—B. C. Telephone Co., already engaged in several large contracts, has arranged for further expansion in the Bridge River country to serve the important gold mining community which has developed there recently.

The company has awared a $200,000 contract to Hume & Rumble, Vancouver electrical engineers, for the replacement of the old government telephone line to connect Bridge River with the P. G. E. Railway at McGillivray Falls, Anderson Lake. The line will traverse about 30 miles of rough territory and the engineering problems to be met will be formidable. Necessity for a new wire was emphasized when Hume & Rumble were given contracts for the construction of dams and power plant at Seaton Lake and to erect a high tension power and light line from the plant to the mining district. Two centrals will be established, one at Bralorne and another at Pioneer.

In addition to the B. C. Telephone order and the $400,000 power line contract from B. C. Electric Railway some months ago, Hume & Rumble has been given a second power transmission job of $50,000 to extend a line over Mission Mountain to serve Bralorne and B.R.X. mines.

500-ton Mill in 8 Mos. Planned by Morning Star

Morning Star (Fairview) Gold Mines has purchased five claims comprising the Stemwinder group from Federal Mining & Smelting Co., on the strike of the main vein system, it is announced in a progress report. R. L. Clothier has resigned as managing director of the mine, and J. D. Calloway, consulting engineer, has assumed full charge of operations, with N. F. Brookes as mine superintendent.

It is reported that a new ore body has been opened up in the south drift on No. 1 level, which is now in a distance of 196 ft. from the shaft. The vein is strong and about six ft. wide with the drift in ore of a commercial grade for a distance of 122 ft. For this length the average is .62 ounces for an average width of 4.19 ft. with the present face still in good ore.

In May the directors decided to open up the mine for some 4,800 ft. from the Stemwinder claim on the northwest through the Brown Bear, Silver Crown and Ontario claims to the Morning Star claim on the southeast. It is planned to de-water the Stemwinder mine which has five levels all in ore.

It is hoped that developments will justify the erection of a 500-ton mill. The present development programme will cost in the neighborhood of $120,000 and will require from six to eight months to complete.

Financial Offers Galore For Minto, Officials Claim

From Our Own Correspondent

VANCOUVER—Since the Seeley Mudd interests dropped their option at the end of May, several offers have been made to finance Minto Gold Mines, according to Major W. A. Davidson, president and mine manager. He says that no trouble will be met in arranging for suitable financing, and that the company already has sufficient funds on hand to take care of developments during the next few months.

The company hopes to be in a position to install at least a pilot mill in the near future.

Mill tests indicate that treatment of the ore is not difficult and that reported complexity is without foundation. The mill test made by G. S. Eldrige & Co. showed that by means of flotation alone a recovery of 95.8 per cent of gold values and 86.5 per cent of silver values can be made on the grade of ore tested. A concentration of 7.2 tons of ore into one ton of concentrate was obtained.

Nicola Mines Lays Claim To World Recovery Record

With the mill operating only two weeks, Nicola Mines & Metals Ltd., treating about 50 tons of ore per day, with a recovery "in excess of 98 per cent." If this statement is reported correctly, it indicates the phenomenal situation in which a mill, scarcely past the tuning-up stage, equals the world record for recovery set by the veteran Dome Mines.

It is reported by M. E. Erdofy, a member of the engineering management committee that a carload of concentrates was shipped from this mine to the Trail Smelter recently. Mr. Erdofy reports that millheads are holding between $18 and $20 per ton. Per ton recovery of concentrates is in excess of $300 Mr. Erdofy claims.

McKenzie Red Lake Opens Up Continuous Ore For 450 Feet

Continuous ore for 450 ft. in length has been opened up on the second level of McKenzie Red Lake, not including the shaft section of 75 ft. mine officials estimate. Drifting on the new vein at this level has been extended 212 ft. and averages 5.4 ft. assaying .51 oz. gold per ton. The result of sinking the incline winze from the second level has been the best so far encountered. Drifting on the third level has shown $20.50 values over 5.1 ft. to the north and .37 of gold over 4.1 ft. in the south drift.

A NOTEWORTHY RECORD!

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At the Mines

Bidgood Kirkland Gold Mines is continuing drifting on the 125-ft. level while crosscutting for the 250-ft. horizon has intersected the vein, Oscar Knutson, mine manager reports. It is stated that drifting on the latter level will commence at an early date. Installation of mill machinery is being continued with the ball mill and motors being installed.

• • •

Big Long Lac Gold Mining Co.—For the past three weeks, a crew of eight men have been pushing development work at the property of this company, Gordon P. Campbell, president, reports. Prior to this time, camps were erected, and old trenches cleaned out. Alex Gemmell, mine manager, reports early development work as highly encouraging.

• • •

Bulolo Gold Dredging Co.—Total production for May, from three dredges operated by this company is reported as 7,548 ounces of gold from 707,000 cubic yards of gravel. It is estimated that, at $35 gold, the working profit from this production was $181,160.

• • •

Calgary & Edmonton Corp.—March production figures of the company should read 27,800 bbls. and not 47,800 bbls. as reported in last weeks issue. April production was 25,641 bbls.

• • •

Lebel Oro Mines—Decision of the management of this mine to go ahead with construction of a 200-ton cyanide mill and the awarding of construction and equipment contracts have been made. The unit will begin operation in August. It has been stated that there are presently at least 2½ years of ore in sight at the Long Lac property eight miles southwest of Sudbury, including some 140,000 tons of tailings.

• • •

McLeod River Mining Co.—Drill holes sunk in the river bed by this company show values ranging from 43 cents to $1.13 per cubic yard, W. E. Sweetman, director, reports.

• • •

Mecca Mines—Shareholders have approved of the sale of the company's interests in the Wood property in Tiblemont Twp. Quebec to the Murwood Gold Mines.

• • •

Pioneer Gold Mines—April gold production was valued at $251,000 while costs were estimated at $68,000 exclusive of taxation and depletion, leaving a net profit of approximately $183,000, about the same as in March.

• • •

Queen City Mining Co.—A steam shovel will be used on the placer workings of this company near Barkerville, B.C., it is learned. The property was recently acquired by Queen City, and the machinery is being shipped in.

• • •

Royalite Oil Co. — G. H. Smith, president of Imperial Oil Co. was elected chairman of the Board of Directors of this company at the annual meeting recently. J. H. McLeod was re-elected president, and T. E. Burns secretary-treasurer. The president announced that a suggestion to sell certain government bonds and declare a $3 dividend would not be followed.

• • •

Rice Lake Gold Mines, which adjoins Forty Four Gold Mines on the southeastern side of Big Rice Lake, is capitalized at 4,000,000 shares no par value with 1,900,000 shares issued of which 1,600,000 shares are reported pooled for two years. Surface exploration is under way with several veins uncovered, to date one of these has been traced for an indicated length of 2,000 ft.

• • •

Sally Mines—Officials have estimated that at least $250,000 worth of ore has been added to the reserves, within the past two months. Officers elected at the annual meeting were R. H. Stewart, W. B. Farris, D. J. Morgan, C. E. Nordman and H. B. Morley Nordman replaces S. J. Croker.

• • •

Stewart-Abate Gold Mines—This company announces plans for an extensive programme of development work on its 10 claims in Beatty twp. Matheson Gold area. The management plans to sink the present shaft to a depth of 250 ft. where a station will be established and underground work carried on. An offering of 250,000 shares at 40 cents a share is currently being made to finance development.

• • •

Tonawanda Mines—A programme calling for further stripping and trenching of the five surface veins will be carried out by this company, Charles E. Rea, pres., has announced. No. 1. vein has been traced for 1,200 ft., with gold indications over widths of four ft. in well mineralized quartz. No. 2 drill hole intersected No. 3 vein at 113 ft., showing a width of four ft. and values of $11.30 per ton.

• • •

United Empire Gold & Silver Mining Co.—A total of 40 men are at work on this company's property in the Portland Canal area, B.C. The tunnel is now 644 ft. having been carried forward 103 ft. in two weeks. A two-story warehouse is being constructed.

• • •

Upper Canada Gold Mines—R. R. Brown, president, reports that a shaft on this property in the East Kirkland Lake District has now been sunk to a depth of 135 ft. and sufficient building for immediate needs has been completed.

• • •

United Kirkland Gold Mines—A petition has been filed for winding up the company and shares will be no longer transferable. Certificate holders upon presentation will receive one share of Macassa Mines for each ten United Kirkland shares held.

• • •

Woman River Gold Syndicate shows expenditures of $5,017 on development and miscellaneous items, in a report for the fiscal year ended April 30. Cash and investments were shown at $130 and liabilities at $113. M. G. Mansman, president, reports that an underwriting agreement with a brokerage firm was entered into in May, disposing of nearly all treasury units to net the company $17,000. Possibility of forming a company is being discussed.

Wells of Superior Gold Produce 1,030 Bbls. of Oil

From Our Own Correspondent

CALGARY—May production from the producing oil wells of Superior Gold Mines in the Red Coulee field in Montana amounted to 3,030 bbls. The price prevailing under the N.R.A. for this product is $1.35 per barrel.

A report made by M. M. Reese, M.E., on the Greenwood mining property owned by the company, describes conditions as very promising. Mr. Reese states that sampling in 180 feet of tunnel to a point 75 feet below the surface gave an average of $14.68 per ton on an average width of 22½ inches.

Present plans call for driving a crosscut tunnel to tap the vein at depth.

L. B. UNITED Mines Ltd.

An extensive development program is underway for this Company.

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MAY GOLD OUTPUT FROM ONT. CAMPS HIGHEST THIS YEAR

Production Valued at $6,454,614 as Compared With April's $5,666,841

Ontario gold production for May hit a high for this year in value, according to a bulletin recently issued by the Ontario Department of Mines. Ontario producing gold mines in order of output for May by camps were as follows:

Porcupine Camp: Hollinger, McIntyre, Dome, Coniarum, Buffalo-Ankerite, Vipond.

Kirkland Lake Camp: Lake Shore, Wright-Hargreaves, Teck-Hughes, Sylvanite, Macassa, Kirkland Lake Gold, Toburn, Ashley, Barry-Hollinger.

Northwestern Ontario: Howey, Parkhill, Northern Empire, Minto, Ardeen.

Total gold production from these camps for May is valued at $6,454,614, as compared with $5,666,841 in April.

Comparative figures for the first five months of this year follow:

Source & Period	1934 Tons Milled	1934 Value $
Porcupine:		
Jan.	302,580	2,513,247
Feb.	275,105	2,692,955
March	299,220	2,726,532
April	293,668	2,648,257
May	302,875	3,000,977
Total	1,473,448	13,581,968
Kirkland Lake:		
Jan.	167,953	2,781,721
Feb.	151,794	2,655,784
March	170,542	3,016,363
April	166,328	2,801,916
May	172,379	3,217,018
Total	828,996	14,472,802
N. W. Ontario:		
Jan.	47,646	233,080
Feb.	36,720	199,889
March	48,826	218,430
April	46,682	216,668
May	46,766	236,619
Total	226,640	1,104,686
First Quarter:		
Total, Jan.	518,179	5,528,048
Feb.	463,619	5,548,628
Mar.	518,588	5,961,325
April	506,678	5,666,841
May	522,020	6,454,614
Grand total	2,529,084	29,159,456

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ONTARIO MINES

Metal Production and Dividends Paid by the Mines of Ontario, Canada's Premier Province, to the end of 1933.

	Production	Dividends
Gold	$500,900,000	$153,108,020
Silver	$257,300,000	$ 97,691,281
Nickel	$359,300,000	$149,723,449
Copper	$148,100,000	
Total	$1,265,600,000	$400,522,750

Ontario Department of Mines
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Official Apathy Hampers First N. S. Gold Discoveries

Story of Development One of Sudden Enthusiasm and Bleak Despair

Stupidity cupidity, thievery, resourcefulness, and sheer honest effort are the paradoxical ingredients of the history of gold mining in Nova Scotia.

The name of the first man to actually discover gold in the province is lost in a welter of legend, and casual historical references, which date back to the days of Samuel de Champlain, Father of New France. The discovery of gold is so inextricably mixed up with the discovery of other minerals that the date of the first discovery will be always unknown.

As far back as 1604, Master Simon, a mining engineer who accompanied Champlain on his second voyage to the new land, reported showings of iron and silver at St. Marys Bay, Nova Scotia. In this year native copper was also reported to have been found in Cape d'Or.

Canny Queen Elizabeth, not taking any chances on the possibility of mineral wealth in the colonies, granted Sir Humphrey Gilbert, on June 11, 1578, a patent, demanding one fifth of all gold and silver found by him.

First Published Account

In 1654, Nicholas Denys, the same man who later published a treatise which first noted the outcroppings of coal in the province, was granted a concession by Louis XIV to mine gold, silver, copper, and other minerals on Cape Breton Island. These concessions, apparently, netted Nicholas little, as no reference to any major discoveries being made by him were reported, and a few years later, we find him seeking out other prospects.

An ingenious theory that gold must have been noticed by the early French settlers centres around the names of various places in Nova Scotia such as Bras d'Or, Cape d'Or and Jeu d'Or, now corrupted to Jeddore. Less imaginative historians, however, take the view that these names were suggested by some striking feature of the landscape, such as the golden glow of the autumnal forests, or some peculiarly golden sunset effect. In any event, the fact remains that none of these early purported discoveries led to any systematic prospecting.

"Throw the Rubbish Away"

About 1849, W. Crook, a young Lunenburg farmer, brought some gold bearing quartz to his father, who examined it, and then remonstrated with his son for wasting his time playing with rocks. "Throw that rubbish away, drop this nonsense, and get on with your work," the youthful prospector was told. Not so many years later, gold was found in large quantities near the Crooks farm.

Another story has it that in the early thirties, laborers working on road construction at Isaac Harbor, and Sherbrooke, noticed the bright yellow metal in the stone. They joked about it being gold, and whittled it with their knives. But the joke was on them, as later developments indicated that this metal really was gold.

It was, indirectly the Californian gold rush of 1849 that brought about the first organized search for gold in Nova Scotia. John Campbell, a Nova Scotian, was prevented from joining the California rush, although he had all the instincts of a prospector. When he found he couldn't go to California, with commendable resourcefulness he decided to launch his own little gold rush in his native province, and so set out to find what the possibilities were at home.

Campbell found placer gold, in small quantities, along the east shore, and in 1857 succeeded in panning it from the sands of Fort Lawrence, Halifax Harbor. But Campbell, like so many early miners, was hampered by the very Government that should have backed him to the hilt. He had such faith in the gold possibilities of the area that he sought a license to prospect and mine the sands of Sable Island, but the Government insisted on such stringent terms that he abandoned the idea.

Gold for Moose

Moose rather than gold was the objective of the next party which made gold history. And yet posterity will never know whether or not Lieut. C. L'Estrange bagged any moose, but any high school student in the province can tell you that he struck gold. Lieut. L'Estrange, in 1858, set out on a moose hunt on the Tangier River. He was accompanied by Gilbert Elliot, of H.M.S. "Indus." Acting as guides to the two naval officers, were three Indians, Noel Louis, alias Plowich, Joe Paul, and Frank Cope. Free showings of gold were noticed by this party in the area now known as Mooseland.

When this party returned and reported their discovery, they met with the same cynical apathy which had always greeted reports of gold discoveries in the province. One member of his party failed to be affected by this cynicism, however, and the Indian, Joe Paul, persuaded John G. Pulsiver, a farmer of Musquodoboit, to return to the area in 1860. On this trip, the two found much quartz carrying gold. They hastened back to Halifax to report their find, and on the way, noticed other evidences of gold, one of which led to the strike of Peter Mason in October, of 1860 at the head of Tangier Harbor.

"By Mutual Consent"

Pulsiver was destined to meet with the same lack of enthusiasm which had balked his predecessors. However, news of his find circulated fast, and the rush of people into the area in 1861 forced the hand of the Government, and in that year Mooseland was officially proclaimed a gold area, and surveying was started.

This was not the first mining venture of John Pulsiver. In 1850, ten years before, he had formed the first gold mining syndicate known to have been formed in Canada. With him in this venture were a Capt. McLeod, Edward Taylor, W. H. Hurry, and John Taylor. This company seems to have based its faith chiefly on the fact that laurels, similar to those growing over the goldfields of California, grew in certain areas of Nova Scotia. Operations could not have been very encouraging, because in 1854, the company was dissolved "by mutual consent." One of the reasons given for this company's unhappy fate was that they ran out of food, "because the Indians ate so much."

A Futile Task

Typical of the incredulity which swayed Government circles was the attitude of Hon. Joseph Howe, provincial secretary at the time. This man examined the area and in all sincerity, convinced himself that gold did not exist in sufficient quantities to make mining profitable. With the interests of the people at heart he told them "there was not enough gold to make a lady's thimble." He urged them all to "go home, and mend your old shoes."

But King Canute's task of sweeping back the seas was a sinecure in comparison to trying to stem a gold rush, and people flocked into the bush, gold bent. In 1861, such important mining districts as Sherbrooke, Lawrencetown, Wine Harbor, Oldham, Waverly, and many others were discovered. The stampede was a wild one, and many persons bought land which they had never seen, on the filmsy promise of gold possibilities.

In 1861, the first mine was opened up in Mooseland, by John McKenzie, and associates, Norell, Veith, Taylor, Holdsworth, Okes, Verge and Dickie.

As was inevitable, the slump was as acute as the enthusiasm. When the spring came, and the melting snows failed to expose the rich rocks which many miners were expecting, a depression set in, which reached its peak in the fall of 1862. Bitterly, Pulsiver wrote that the Government had compelled him, the discoverer of the area, to pay a $20 fee, "like any other man."

On Firmer Basis

But the depression was a good thing for mining as a whole. The wild enthusiasm of 1861, with its costly results, was checked. Individual attempts at mining were abandoned, and operators on adjoining properties united their forces. Better results from this saner method were obtained, so that by 1867, and 1868, excitement had again been revived. English and United States capital poured into the country, so that in 1867 production had reached 27,583 ounces. This was an era of "big business," and callous speculation. Again the reaction was felt, again a depression set in, and production suffered. By 1874, gold production in Nova Scotia fell to 9,141 ounces.

This time it took 15 years for the industry to recover, from the cloud under which it had fallen. Pilfering and wholesale theft had accompanied the boom of 1867. Such amazing proportions did this thievery reach, that a law was passed making it a criminal offense for any pedlar to be caught within three miles of a gold mine with gold in his possession.

It was during this rush that the first stamp mill in all Canada was erected in Waverly. By 1869 there were 73 companies in the field, whose total capitalization was only $2,240,000, or about $30,000 each. In that year, some 55 mills were in operation of the five and ten stamp variety. Several very rich finds were made a few feet below the surface, one of which, in 1863, yielded about $4,000 per cubic ft.

Chose Coal, Not Gold

Although it never played a large part in gold mining, mention must be made of the General Mining Association, which, from 1826 to 1858 had complete control of all minerals in the province, rights which they had obtained from the brother of George IV, the impecunious Fredrick, Duke of York and Albany. When this company finally limited its right, under pressure of the Nova Scotia legislature, and had the choice of three areas, it chose the coal areas, as gold was then a very minor mineral. What would have happened if the company had chosen the present goldfields of the province can only be conjectured.

The story of gold mining in Nova Scotia from 1875 on is one of sudden growth and retrogression, waxing and waning. Throughout it all, however, the trend to a saner basis is visible. The use of dynamite, applied in the seventies, boosted production considerably, and the industry was quick to assimilate modern mining methods. One of the greatest periods in the industry's history was from 1896 to 1903 when production reached over 25,000 ozs. per annum. At present, a period of inactivity in gold mining is being experienced, production last year being only 1,382 ozs. But history shows the futility of assuming that this lethargy is permanent.

From 1862 to 1932 the gold produced was 973,104 ozs. Gold occurs chiefly in quartz.

SULLIVAN MINES REPORT PROGRESS

Assets of $11,744, Liabilities of $9,975 Reported by Company

Accompanying the balance sheet of Sullivan Consolidated Mines for 1933, recently issued to shareholders, is a progress report for the period from Jan. 1, 1934, to May 1 last, over the signature of A. H. Paradis, president of the company.

In this period the company's new management expended $53,180 on mill construction, $2,797 on crusher plant, $5,600 on power plant, with sundry and other expenses bringing the total spent to $96,696.

The mill started operation on April 15, 1934, and until May 15 passed through 262 tons of waste to adjust and tune-up all the machinery. Since that time the production has steadily increased, and the mill is now operating on a basis of two-thirds waste and one-third ore. Daily production is from 40 to 50 tons with Diesel engines the power sources.

The balance sheet as of Dec. 31, 1933, shows current assets, including cash of $398 and supplies on hand of $11,346, totalling $11,744. Current liabilities comprise accounts payable of $8,868; payroll due of $276, and an overdraft with the Canadian Bank of Commerce of $830 or a total of $9,975.

In speaking of the future policy of the company, Mr. Paradis states that underground work accomplished since April 20, has convinced the directorate that the company has 40,000 tons of ore blocked out. Work will be continued on proving up veins already located, and opening up new veins, in conjunction with some diamond drilling.

NEWFOUNDLAND PLANS AIDING IRON EXPORT

Government Pledges Support in Official Bulletin—Appointment Made

An intensive effort on the part of the Commission-of-Government of Newfoundland to promote the sale of Wabana iron ore among steel masters of Great Britain will be made in the near future. In this effort the influence and aid of the Dominion's office at London will be again enlisted, according to an official communique from St. John's, issued last week. The extensive use of Wabana ore by German manufacturers was pointed to as an indication that this ore is a commercially sound proposition.

The probability of the appointment of Lord Sempill as honorary aeronautical advisor to the Government was also suggested. Lord Sempill has already furnished the Government with information and advice concerning a possible site for an aerodrome in connection with the aerial service proposed to be inaugurated in the Dominion.

Other decisions made by the Government last week included the appointment of Dr. Alex Bishop as general health inspector under the Department of Public Health and Welfare; the appointment of C. Drover to the headquarters staff of the Customs Department, and the appointment of Claude Fraser as secretary for Natural Resources.

In respect of the reorganization of the civil service, the plan under contemplation aims to recruit future officers on the basis of examination. Feeling is expressed that the British system of a permanent Civil Service Commission controlling the entry of candidates is not feasible in Newfoundland, principally for the reason that the small number of openings would not justify the creation of a permanent body of this sort. The Council of Higher Education of Newfoundland is asked to consider the possibility of undertaking examination of candidates for civil service positions. The examination is to be held at intervals, probably commencing from 1935.

Seguin Rouyn to Continue Diamond Drilling Efforts

With a gang of men now at the property preparing for the arrival of machinery, the management of Seguin Rouyn Gold Mines is planning further diamond drilling to supplement the 5,000 ft. already done. It is announced that the company has ample finances in the treasury to take care of the proposed new development work, which includes the sinking of a shaft, drifting and crosscutting.

Previous drilling on the property, which consists of a group of 32 claims in Rouyn twp., Que., confirmed previous reports of a large ore zone about 100 ft. wide, and a 50-ft. showing of spectacular free gold in the original trench across the zone. The existence of other and possibly larger ore bodies has been indicated by this drilling, officials state.

Traded on the unlisted market, Seguin Rouyn has an authorized capital of 2,500,000 shares, of which 944,764 have been issued. Of the issued stock, 625,000 were vendor shares, which were pooled.

The directorate of the company includes Clement A. Foster, Toronto, pres.; Arthur Seguin, Rouyn, vice-pres.; H. H. Vaughan, Norman Holland, Montreal, and Charles P. Franchot, New York, directors.

Although the power line crosses the property now, work is being done by means of a small diesel engine, the management feeling that it would be better not to contract for more power until it is needed.

Sally Mines' Ore Shipment Yields $4,898 for Two Cars

From Our Own Correspondent

VANCOUVER.—Two carloads of high grade ore totalling 98 tons shipped during May to the Trail Smelter from Sally Mines in the Beaverdell area, yielded a total of $4,898 according to H. B. Morley, secretary manager. Average values were approximately $50 per ton, indicating that the silver content of this ore was around 100 ounces per ton.

Production was taken from two stopes above the No. 2 level and from the No. 7 vein which was developed by a winze below No. 3 level.

On the other side of the property, the two-compartment shaft is down 147 ft. with sinking progressing at the rate of about 100 ft. per month. This shaft is expected to open the Wellington vein around the 200 ft. level.

Finances Sound As Pickle Crow Starts Trading

Pickle Crow Gold Mines which was called for trading on the Toronto Stock Exchange this week presents a formidable liquid position with a working capital of approximately $450,000 and all of its $3,000,000 authorized capitalization outstanding.

The balance sheet as at March 31, 1934, showed current assets of $159,889 including $158,974 in cash. Current liabilities totalled $48,122. At this time 2,512,605 out of the 3,000,000 shares authorized were outstanding. Since that time a supplementary audited statement shows that the remaining treasury shares —489,395—were sold to net $235,701.

The balance sheet does not show itemized statements for development and plant, but it is known that a substantial amount has already been spent on equipment and supplies for the new mill, planned for operation late this year. Deferred charges include $40,000 deposited to the Hydro-Electric Power Commission of Ontario on account of power.

Step Up Mill Deepen Shaft At Reno Gold

From Our Own Correspondent

VANCOUVER—Production at Reno Gold property has been stepped up to more than 100 tons daily, according to W. A. Sutton, secretary, who says that the present programme involves sinking an additional 400 ft. on the ore body.

Reno milled an average of 100.67 tons of ore daily in May, recovering $53,503 in gold during the month. The company attained its highest earnings in May.

Gold recovery per ton milled in May was $17.80. Cost figures are not yet available, but since the first of the year Reno costs have been averaging $3.73 for mining and $2.36 for milling cost of $6.09 per ton. Milling costs are expected to be cut down to $6 a ton with the mill at higher capacity.

Graham Bousquet Drill Strikes Gold in Quartz

From Our Own Correspondent

AMOS, Que.—Encouraging results from diamond drilling are reported from the property of Graham Bousquet Mining Corp. In the second hole the drill cut a schisted section showing free gold in the core, while at 100 ft. the core showed visible gold in quartz material.

As a result, the management plans to put down 14 short holes in the immediate vicinity, as part of their development programme. J. C. R. McPherson is in charge of operations.

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SIGMA MINES VEIN HOLDS DRIFT WIDTH

Considerable Visible Gold Reported From Workings on First Level

From Our Own Correspondent

AMOS, Que.—Drifting on the first level at Sigma Mines continues with the vein maintaining drift width, and showing considerable visible gold, latest reports from this property reveal. Drifting has now progressed for 200 ft.

Gabrielle's Shaft Reaches Depth of Nearly 125 Feet

Shaft sinking operations at the Rice Lake property of Gabrielle Mines, are continuing at the rate of between four and five ft. daily, it is officially reported. With the shaft down to a depth of about 125 ft. the objective has been set at 500 ft. To date some 6,000 ft. of diamond drilling has been accomplished. Values of $64 per ton in gold at the old price have been recovered in the last hole, across a width of over two ft. At a depth of 252-258 ft. a six ft. vein was cut averaging $11.60 per ton gold. The shaft is being put down about 700 ft. from the boundary.

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The particulars contained in this advertisement are for record and information only.
The Company is offering no shares.

SEGUIN ROUYN GOLD MINES LIMITED

Incorporated under the Laws of the Dominion of Canada

Authorized Capital	2,500,000 Shares
Shares Issued	994,764 Shares
Shares remaining in Treasury unissued	1,505,236 Shares

Included in the item of 994,764 shares outstanding as of June 6th, 1934, shown above, are 625,000 Vendor Shares which are pooled, at Montreal, under the authority of the Security Frauds Prevention Act, 1930, for a period to be determined by the Registrar of the said Act.

OFFICERS AND DIRECTORS

President: CLEMENT A. FOSTER, Mine Operator, Toronto, Ont.
Vice-President: ARTHUR SEGUIN, Prospector, Rouyn, Que.

H. H. VAUGHAN, C.E.; M.E.;
Montreal, Que.
Director, Dominion Bridge Company, Limited.

NORMAN HOLLAND,
Montreal, Que.
Managing-Director, Brandram-Henderson, Limited.

CHARLES P. FRANCHOT;
New York City.
Director and General Counsel; Remington-Rand, Incorporated.

Secretary-Treasurer: H. S. McGEE,
Montreal, Que.

Bankers:
THE ROYAL BANK OF CANADA;
Montreal, Que.

Solicitor:
RAYMOND CARON;
Montreal, Que.

General Counsel
JOHN P. CALLAGHAN;
Montreal, Que.

Auditor:
ALFRED C. TREW, C.A.;
Ottawa, Ont.

Transfer Agent and Registrar:
PRUDENTIAL TRUST COMPANY, LIMITED,
Montreal, Que.

PROPERTY

The Seguin Rouyn Gold Mines, Limited, own thirty-two contiguous mining claims, having an area of about 1,280 acres, in Rouyn Township, in the Province of Quebec, and situated four miles east of the Noranda Mines. The property, having a width of one mile, extends for a length of two miles along the strike of the ore zone.

The Company's property is conveniently located with respect to all those mining facilities which make for economic and profitable operations, having none of the usual transportation, power, labor or supply difficulties. It is easy of access and all mining and other supplies are available from the nearby wholesale houses at Rouyn and Noranda. The main power transmission line eastward from Noranda is being built across the property.

DEVELOPMENT TO DATE

As reported by the Company's Engineer, trenching on the discovery of gold bearing schistose silicious rocks opened up an ore zone in excess of 100 feet wide with plentiful free gold distributed over a width of more than 50 feet. Further trenching during the summer disclosed additional discoveries, numbers 2 and 3; No. 2 being about 1,100 feet west of No. 1 and No. 3 being about 1,000 feet north of No. 1. Over 5,000 feet of diamond drilling was done for structural information as to the size, mineralization and character of the zone at depth. This drilling disclosed the presence of other and larger possible ore zones of similar material and mineralization as shown in No. 1 zone, the widest of these parallel zones being over 300 feet. These conditions were proved by this preliminary drilling to a depth of over 500 feet.

VALUES

The common practice of quoting assay results and values before the average grade of ore has been determined, or in other words giving out what might later be proved to be erroneous and misleading information, has not been resorted to in connection with the Seguin-Rouyn development. The Company has adopted the more conservative policy of referring to these indicated ore bodies only as gold-bearing, the grade of which is yet to be determined by further work.

However it may be said, at this stage, that in the trench on the original discovery so much visible gold was distributed across a width of more than 50 feet that sampling would have given very high values, indicating too rich a grade of ore to be expected or hoped for. The next 15 feet south, in this trench, where no visible gold was at any time observed, was channel sampled, giving an average grade of $4.65 in gold at $20.67 per ounce, or $7.87 in gold at the present price of that metal. The check assaying for this section ran higher.

Applying the same conservative policy to the other discoveries and to the very wide bodies cut by diamond drilling, the Company prefers to state only that these have been found to be gold-bearing and that visible gold was observed in several of the drill holes, and that until opened up underground and properly sampled, no estimate can be made of the grade of ore to be developed, but it is considered these bodies should prove up to be of a profitable grade.

CHARACTERISTICS OF THE SEGUIN ORE

The rock on the Seguin property in the zones considered ore-bearing presents no difficulties in mining or milling. Being highly altered, well fractured and schistose and generally of a soft texture it will mine easily and grind at low cost in milling.

No complicated treatment of the ore is expected. Since most of the values are in free gold and the balance in the iron pyrites, without any copper or arsenical ores in evidence, the milling of the Seguin ores will be a simple and cheap operation.

PROPOSED PROGRAM OF DEVELOPMENT

Owing to the character of the indicated ore bodies and their great size as disclosed by the preliminary drilling, a program of underground development has been decided upon, the object of which is to explore and thoroughly sample these indicated ore bodies at depth. This program includes the sinking of a shaft and a considerable amount of drifting and crosscutting. It is proposed to carry on further diamond drilling at the same time, first from the surface and later from underground stations. Also the property is to be equipped with the necessary plant to carry out this program and whatever camp additions may be needed.

Having proven by preliminary drilling the existence of possible ore bodies of great size, it is now necessary to determine the average grade of these bodies by thorough underground sampling, and to prepare the property for economic production on a large scale.

SEGUIN ROUYN GOLD MINES LIMITED

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Aldred Building, Place d'Armes,
Montreal, Quebec.
Telephone: LAncaster 3334.

MINE OFFICE:
Rouyn, Quebec.
Stewart Troop,
Mine Manager.

FOUR NATIONS CONSOLIDATED GOLD MINES LIMITED

NEARING ITS GOAL:

After eight months of steady development, FOUR NATIONS is giving an account of itself, and nearing its goal. The north cross-cut tunnel now advanced to over 90 feet with about 150 feet to go to reach their objective, which is the Bonanza-Dyke, where spectacular free gold samples over quite a distance along the veins were found on surface trenching. Several eminent geologists recommended this work on account of the strategic geologic location and position.

Indications encountered so far in the driving of this tunnel, prove that they are close to a high grade ore body which should soon be reached.

H. W. Waters & Co. Limited,
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Please send me free map of the Kirkland Lake Gold Area, also information on Four Nations without any obligation on my part.

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